

DAILY REPORT

China

CONTENTS

Vol 1 No 201

17 October 1983

PRC INTERNATIONAL AFFAIRS

UNITED STATES

Further Reportage on Wu Xueqian Visit	B 1
Speaks on Sino-U.S. Relations	B 1
Leaves for Turkey	B 3
PRC Welcomes Cooperation in Nuclear Energy	B 3
Fang Yi Holds Talks With U.S. Visitors	B 4

SOVIET UNION

Vice Foreign Ministers Meet Twice on Normalization [KYODO]	C 1
Ambassador Attends Concert in Moscow	C 1
Weightlifting Team Leaves for Moscow Meet	C 1
Athletes Attend Judo Championship in Moscow	C 1

NORTHEAST ASIA

Wang Bingqian Meets Bank of Japan Delegation	D 1
Says No PRC Debt Crisis	D 1
Fang Yi Meets Japanese Industrial Association Guests	D 1
PRC-Japan Accelerator Workshop Closes in Beijing	D 2
DPRK's O Chin-u Meets PLA Political Work Group	D 2
DPRK Protests U.S.-S. Korean Border Incursions	D 2

SOUTHEAST ASIA & PACIFIC

Hong Kong Takes Measures To Stabilize Currency	E 1
Financial Secretary's Announcement	E 1
Bank of China Spokesman	E 1
Gu Mu Meets Businessmen From Hong Kong, Japan	E 1
Tianjin Signs Trade Pact With Hong Kong, Singapore	E 2
Hong Kong Publishes PRC Commodity Journal	E 2
Commentary Plays Vietnamese Armed Provocations	E 3

WESTERN EUROPE

Wu Xueqian Begins Official Visit to Turkey	G 1
Education Minister Leads Delegation to Europe	G 1
Jurist Delegation Departs on European Tour	G 1
PRC To Host Business Leader Symposium in 1984	G 1
Wan Li Meets Geneva Agricultural Delegation	G 2
Wang Zhen Meets Visiting Italian Senator	G 2
Li Xiannian Receives Danish Envoy's Credentials	G 2
Chen Muhua Meets British, French Groups	G 2
British Banking Delegation	G 2
French Chemical Group	G 3
Sino-Belgian Trade Anniversary Celebrated	G 3
NPC Vice Chairman Chen Pixian Visits Belgium	G 3
Marx, Engels Exhibition Held in FRG	G 3

MIDDLE EAST & AFRICA

Beijing Reception Marks PDRY Revolution Day	I 1
Ji Pengfei Attends Reception	I 1
Kang Keqing Meets Cameroon Women's Delegation	I 1
Reportage on PRC Islamic Group in Sudan	I 1
Received by President Numayri	I 1
Delegation Ends Visit	I 1

WESTERN HEMISPHERE

Peng Chong Accepts Invitation To Visit Mexico	J 1
Further Reportage on Visit of Canadian Delegation	J 1
Wang Bingnan Greets Group	J 1
Received by Huang Hua	J 1

PRC NATIONAL AFFAIRS

Communique of CPC Central Advisory Commission Plenum	K 1
JIEFANGJUN BAO Editorial on CPC Rectification	K 1
BEIJING REVIEW Says Executed Tibetans Were Criminals	K 3
Memorial Service Held for Liu Shengbiao	K 4
RENMIN RIBAO Recalls Late CPPCC Member Li Shizhang [12 Oct]	K 4
JIEFANGJUN BAO Reports PLA Grassroots Building	K 5
Nie Rongzhen Greets PLA Warehouse Work Meeting	K 6
Seminar Held on Sun Yefang's Economic Theories	K 6
Bo Yibo Sends Letter [SHIJIE JINGJI DAOBAO 19 Sep]	K 6
Xue Muqiao Delivers Speech [SHIJIE JINGJI DAOBAO 19 Sep]	K 8
Construction Banks Must Prevent 'Prodigal Waste'	K 9
[RENMIN RIBAO 12 Oct]	
RENMIN RIBAO Article on Balanced Economic Development [5 Oct]	K 10
HONGQI Carries Editorial On Trade Union Work	K 16
Over 40 Million Women on Government Payroll	K 18
Workers Step Up Technical Cooperation	K 18
Nation's Youth Given More Job Opportunities	K 19
Deng Yingchao Greets Cao Jinghua's Anniversary	K 20

PRC REGIONAL AFFAIRS

EAST REGION

Anhui CPC Supports Central Rectification Decision	O 1
Anhui CPC Issues Circular on Party Rectification	O 1
Jiangxi CPC Hails Central Rectification Decision	O 2
Jiangxi PLA Supports Party Rectification	O 3
Jiangxi Plans To Build Nuclear Power Station	O 4
Shandong Reaps Record Grain Harvest in 1983	O 5
New Rail Line in Anhui, Jiangxi Completed	O 5
Shandong City Reports on Conscription Drive	O 6
[RENMIN RIBAO 13 Oct]	

CENTRAL-SOUTH REGION

Typhoon Causes Damage in 13 Guangdong Counties	P 1
Guangzhou PLA Units Stress Party Rectification	P 1
Guangxi Party Meeting Studies Central Decision	P 1
Guangxi Issues Circular on Rectification Decision	P 2
Guangxi Discipline Committee Discusses Crime	P 3
Hubei Issues Circular on Rectification Decision	P 4
Hunan Security Director Urges Crackdown on Crime	P 5
Hunan CPC on Crackdown on Economic Crime	P 5
Hunan 'Relatively Backward' in Birth Control	P 6
Changsha City Concludes Air Defense Exercise	P 6

SOUTHWEST REGION

Xizang Party Meeting Studies Central Decision	Q 1
Xizang Meeting on Cracking Down on Economic Crime	Q 2
Kunming PLA Congress Hails Central Decision	Q 2

NORTH REGION

Nei Monggol CPC Hails Rectification Decision	R 1
Nei Monggol Issues Circular on Rectification	R 2
Nei Monggol Military District Studies Decision	R 3

NORTHWEST REGION

Gansu Issues Circular on Studying Central Decision	T 1
Lanzhou PLA Committee Studies Central Decision	T 1
Qinghai Launches Study of Rectification Decision	T 2

HONG KONG MEDIA ON CHINA

J1 Pengfei Comments on Hong Kong's Future Self-Rule [SOUTH CHINA MORNING POST 15 Oct]	W 1
HSIN WAN PAO on Aims of CPC Rectification Drive [14 Oct]	W 3
Financial Secretary Announces Exchange Rate Measures	W 4

FURTHER REPORTAGE ON WU XUEQIAN VISIT

Speaks on Sino-U.S. Relations

CW151642 Beijing XINHUA in English 1623 GMT 15 Oct 83

[Text] Chicago, October 14 (XINHUA) -- Chinese Foreign Minister Wu Xueqian said here this evening that Sino-U.S. relations have shown signs of a favorable development and that an exchange of visits between the leaders of the two countries next spring "will add new vitality to the further development of relations between the two countries." Wu, also a state councillor, was speaking at a dinner given in his honor by the World Affairs Council in Chicago and the First National Bank of Chicago.

Referring to Chinese Premier Zhao Ziyang's visit to the United States and U.S. President Ronald Reagan's visit to China next spring, Wu said, this exchange of visits "will be a gratifying major event in Sino-U.S. relations."

"Since China and the U.S. established diplomatic relations," Wu noted, "much progress has been made in political, economic, scientific-technological and cultural relations." But, he went on: "The development of Sino-U.S. relations has not been plain sailing, and there still exist difficulties and obstacles in their way, the greatest being the Taiwan question."

"Taiwan has been part of Chinese territory since ancient times, and the people of Taiwan are kith and kins of the one billion Chinese people. The Chinese people, including the people in Taiwan, long for an early end to the separation and accomplishment of the great cause of national reunification," he stressed.

"In recent years," he pointed out, "the Chinese Government has on many occasions set forth its principles and policies concerning the peaceful reunification of Taiwan with the motherland." He added that Chairman Deng Xiaoping has in a recent conversation put these principles and policies in more explicit and concrete terms.

He continued, "Chairman Deng once again proposed that the Kuomintang and the Communist Party hold talks on an equal footing and enter into a period of the third cooperation. He said, after reunification of the country, Taiwan, as a special administrative region, can retain its own character by maintaining systems different from those of the motherland, and the political party, government, armed forces and other establishments in Taiwan will be administered by Taiwan itself. But on the international arena, it is the People's Republic of China alone that will continue to represent China. They were put forward after full consideration had been given to the long term and fundamental interests of the entire Chinese people, including our compatriots in Taiwan, and to peace and stability in the Asian-Pacific region."

"Our magnanimous attitude of forgiving the past and our reasonable proposal are winning appreciation and support from more and more compatriots in Taiwan and those residing abroad. Quite a few American friends have also come to realize that the reunification of Taiwan with the mainland is an inevitable historical trend and that it accords with the interests of the American people, too," he stated.

Wu pointed out, "we do not ask for U.S. assistance in achieving the reunification of Taiwan with the mainland, but we ask the United States to reform from obstructing as in our effort."

On American arms sales to Taiwan, he said, "U.S. insistence on selling large quantities of arms to Taiwan, a violation of our sovereignty and an interference in our internal affairs in itself, amounts to actually encouraging the Taiwan authorities not to join us in working for the peaceful reunification of the country through negotiations. This naturally meets our firm opposition."

Turning to the joint communique concerning the U.S. sale of arms to Taiwan signed between China and the United States on August 17, 1982, Wu indicated that "it was the result of the utmost efforts the Chinese side could possibly make". "In the communique, the U.S. Government undertakes gradually to reduce, in both quantitative and qualitative terms, its sale of arms to Taiwan, leading, over a period of time, to a final resolution, that is, complete termination of such sales," he noted. The Chinese foreign minister emphasized, "as long as China and the United States strictly abide by the joint communique on the establishment of diplomatic relations and the August 17 joint communique, the main obstacles existing in the relations between the two countries can be gradually removed and the relations will develop more and more smoothly."

Before dwelling on Sino-U.S. relations, Wu talked briefly about the five basic principles of China's foreign policy. He said that China is a developing socialist country which has all along pursued an independent foreign policy. The founding of the People's Republic of China marked an end to the period of China's being subjected to bullying and humiliation in the world.

"Over the past three decades and more, China has persistently upheld its state sovereignty and territorial integrity and never attached itself to any big power or group of powers, nor has it yielded to pressure from any big power. This principled position of ours is the cornerstone of China's foreign policy," he said.

Wu said, "The Chinese people are a peace-loving people. At present, they are striving to build China into a socialist country with modern industry, agriculture, science and technology and national defence. To this end, they need a lasting peaceful international environment. This desire of ours is in accord with that of many countries and the people of the whole world for the maintenance of world peace." "In order to safeguard world peace and security, it is imperative to oppose the hegemonists' aggression and expansion. Opposing hegemonism and maintaining world peace are the principles underlining China's foreign policy," he said.

"In maintaining and developing normal relations with other countries, China is guided by the five principles of peaceful coexistence put forward by the late Premier Zhou Enlai thirty years ago, namely, mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. We believe that countries with different social systems can live together in peace in accordance with these principles. These principles are clearly stated in the Shanghai Communique and reaffirmed in the joint communique on the establishment of diplomatic relations between China and U.S. The Sino-U.S. joint communique issued last year also stressed that China and the U.S. were ready to follow these principles in their mutual relations. So long as the two sides do so in real earnest, they can live in amity and promote their relations significantly despite the difference in their social systems," Wu said.

In his speech, the foreign minister expounded in detail the internal situation of China, saying that at present, the political situation in China is stable. He added, "Our national economy has embarked on a path of sound growth. On the basis of increased production, the living standard of the Chinese people has improved palpably. At present, we are carrying out deep-going reforms in our economic construction and management system, attaching importance to intellectual investment and personnel training and giving priority to raising productivity through technical renovation so as to speed up the modernization programmes."

Wu said: "Our policy of opening to the outside world is an established long-term economic policy of our country." "The relevant departments of the Chinese Government are making active efforts to formulate and revise some important and urgently-needed economic laws and regulations so as to facilitate the further development of our trade and economic relations with foreign countries," he noted.

He said, "There are indeed broad prospects for developing Sino-U.S. economic relations and trade and scientific-technological cooperation." "Now," he added, "the U.S. Government has upgraded the level of its technology transfer to China. Once implemented in concrete terms, it will help increase Sino-U.S. trade and economic, scientific and technical exchanges."

Wu said, "Only four years or more have elapsed since the establishment of diplomatic relations between the two countries. They still need to get to know each other better and take corresponding measures to promote their relations. The key to better relations is mutual trust, patience and vision."

Leaves for Turkey

OW160147 Beijing XINHUA in English 0135 GMT 16 Oct 83

[Text] Chicago, October 15 (XINHUA) -- Chinese State Councilor and Foreign Minister Wu Xueqian left here this afternoon, via Frankfurt, the Federal Republic of Germany, for Ankara for an official visit to Turkey.

During his three-day visit to Chicago, Wu met U.S. business leaders, Chinese Americans and Overseas Chinese. He made a speech on economic and commercial issues at the Mid-America Club, and another on Sino-U.S. relations at the World Affairs Council. Before he came to Chicago, the Chinese foreign minister was received by U.S. President Ronald Reagan and held talks with Secretary of State George Shultz in Washington.

The Chinese foreign minister's six-day official visit to the United States is conducive to the enhancement of Sino-U.S. mutual understanding and trust, and will have a positive and beneficial effect on the development of the relations in the days to come.

PRC WELCOMES COOPERATION IN NUCLEAR ENERGY

OW151912 Beijing XINHUA in English 1903 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- China welcomes cooperation with other countries in developing nuclear energy for peaceful use and plans to import the advanced equipment for large nuclear power stations and technology, said Wang Ganchang, president of the Chinese Nuclear Society, here today.

At a reception he gave in honor of a delegation from the American Nuclear Society which has come to China for academic exchanges on nuclear energy, he said his country is making big efforts to develop nuclear energy and, by the end of this century, it will have built a number of nuclear power stations to meet its needs in energy.

The prospects for Sino-U.S. cooperation in nuclear energy are broad, Wang said. He expressed the hope that a bilateral agreement on nuclear cooperation would be concluded at an early date, so as to promote the in-depth development of nuclear energy cooperation between the two sides.

The 31-member American Nuclear Society delegation arrived in Shanghai October 5 and came to Beijing today at the invitation of the Chinese Nuclear Society. The delegation is headed by Milton Levenson, president of the American Nuclear Society and executive engineer of Bechtel Power Corporation. In the past few days, specialists of the two countries have exchanged views concerning nuclear power stations, and they have presented papers on designing and constructing nuclear power plants, nuclear steam supply system and planning for nuclear wastes.

FANG YI HOLDS TALKS WITH U.S. VISITORS

OW141152 Beijing XINHUA in English 1146 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- China's State Councillor Fang Yi met and had a friendly conversation here this afternoon with Professor W.K.H. Panofsky, director of the Stanford Linear Accelerator Center (SLAC), U.S.A., and Mrs. Panofsky.

VICE FOREIGN MINISTERS MEET TWICE ON NORMALIZATION

OW151159 Tokyo KYODO on English 1145 GMT 15 Oct 83

[Text] Beijing Oct 15 KYODO -- Chinese and Soviet vice foreign ministers have met twice since they began the current round of talks here eight days ago to pave the way toward normalization of relations, informed sources said Saturday.

The sources said Chinese Vice Foreign Minister Qian Qichen and his Soviet counterpart Leonid F. Ilichev met Thursday last week and on Tuesday in the talks, resumed after a seven-month recess. They said the two officials discussed the problems of Soviet troops stationed on the Chinese-Soviet border, Kampuchea and Afghanistan, which China regards as the three major obstacles standing in the way of the normalization of bilateral ties.

The Soviet delegate is understood to have suggested expanding cultural, sports, scientific and technological relations with China. But the Chinese vice minister insisted the obstacles be removed before any expansion of exchanges between the two countries, according to the sources.

AMBASSADOR ATTENDS CONCERT IN MOSCOW

OW170256 Beijing XINHUA in English 0245 GMT 17 Oct 83

[Text] Moscow, October 16 (XINHUA) -- Nine poems of the noted Chinese poet Du Fu (Tu Fu) of the Tang dynasty (618-907 A.D.) were set to music by a Soviet composer and presented by the Soviet State Chamber Chorus at a concert here this evening.

The concert, given at a performance hall of the Soviet Conservatory, was part of the 5th "Autumn of Moscow" music festival that opened yesterday. The poems were translated into Russian by Soviet Sinologist A. Gitovich and set to music by Prof. Nikolay Sidelinikov. V. Polyanskiy is the artistic director and conductor of the chorus.

Chinese Ambassador to Moscow Yang Shouzheng was present at the concert.

WEIGHTLIFTING TEAM LEAVES FOR MOSCOW MEET

OW160316 Beijing XINHUA in English 0236 GMT 16 Oct 83

[Text] Beijing, October 16 (XINHUA) -- A Chinese weightlifting team left here today for the 36th World Weightlifting Championships to be held from October 22 to 31 in Moscow. The team is led by Li Yongming.

ATHLETES ATTEND JUDO CHAMPIONSHIPS IN MOSCOW

OW140921 Beijing XINHUA in English 0724 GMT 14 Oct 83

[Text] Moscow, October 13 (XINHUA) -- Yasuhiro Yamasita of Japan took the over 95-kilogram division and Andreas Preschel of the German Democratic Republic, the 95-kilogram division on the first day of the 13th World Judo Championships here today. Competition proper was preceded by a ceremony this afternoon marking the start of the championships.

Forty-five countries, including China, took part in the four-day championships. Competitions were held in only two divisions daily.

WANG BINGQIAN MEETS BANK OF JAPAN DELEGATION

OW140847 Beijing XINHUA in English 0719 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- State Councillor and Minister of Finance Wang Bingqian met here this morning with a delegation from the Bank of Japan led by Council Member Ogata Shijuro. Wang Bingqian expressed the hope that the Bank of Japan and the People's Bank of China will strengthen their exchange and cooperation.

The Bank of Japan, the central bank of Japan, has maintained close business relations with the People's Bank of China since 1974.

Says No PRC Debt Crisis

HK170330 Beijing ZHONGGUO XINWEN SHE in Chinese 0720 GMT 14 Oct 83

[Text] Beijing, 14 Oct (ZHONGGUO XINWEN SHE) -- State Councillor and Minister of Finance Wang Bingqian met here today with a delegation from the Bank of Japan led by Ogata Shijuro. He told the members of the delegation that the scale of China's construction is keeping in step with the financial resources of the country and that a debt crisis will not occur in China.

In response to the request made by the visitors at the meeting, Wang Bingqian talked about such matters as speed and quality, enterprise consolidation, proportion between accumulation and consumption, reform of the economic system, and utilization of funds facing China in economic construction. He pointed out that China will still be having a small financial deficit in the next several years, but this will not be dangerous. He said that China's capital construction investment may reach 58 billion yuan and will not exceed this level next year. The scale of capital construction will be based on the principle of balanced revenue and expenditure.

On the question of utilization of funds, Wang Bingqian said that the financial income in China's budget amounts to 120 billion yuan. There are sundry revenues amounting to 60 billion yuan not listed in the budget, and the banks also controlled some operational funds. By means of planning, the state can organize and utilize these funds so as to make them yield the best results.

Wang Bingqian pointed out that China has extremely abundant manpower resources and that China will take full advantage of this superiority to carry out some capital construction projects with the state supplying the financial aid and the localities contributing the efforts.

Consultant Shang Ming, of the People's Bank of China, and Director Wang Weicai, of the State Foreign Exchange Control Bureau, were also present at the meeting.

FANG YI MEETS JAPANESE INDUSTRIAL ASSOCIATION GUESTS

OW152128 Beijing XINHUA in English 1546 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- State Councillor Fang Yi met with Raïdo Sugaya, president of the Japan-China Industrial Technology Exchange Association, Mrs Sugaya and Noboru Urushido, managing director of the association, today.

Fang Yi praised the Japanese friends for the efforts they have made for promotion of Sino-Japanese friendship. The members of the Japanese association are mainly responsible for accepting Chinese trainees for technical training in small and medium-sized Japanese enterprises. Up to day, they have received 130 Chinese students to be trained in more than 20 specialities.

PRC-JAPAN ACCELERATOR WORKSHOP CLOSES IN BEIJING

OW151204 Beijing XINHUA in English 1148 GMT 15 Oct 83

[Text] Lanzhou, October 15 (XINHUA) -- A four-day Sino-Japanese workshop on accelerators and their applications closed in Lanzhou, northwest China, yesterday. Eighty specialists attended the workshop and exchanged 110 papers on the progress of accelerator technology, construction of new accelerators and theories of various accelerators. The participants also discussed matters related to solid physics, biology, medical science, material science, environmental monitoring and isotope production. The workshop was the second of its kind held between China and Japan. The first was held in Japan in 1980.

DPRK'S O CHIN-U MEETS PLA POLITICAL WORK GROUP

OW151546 Beijing XINHUA in English 1530 GMT 15 Oct 83

[Text] Pyongyang, October 15 (XINHUA) -- Gen. O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of the Korean People's Armed Forces, this afternoon met with the visiting political work delegation of the Chinese People's Liberation Army led by Gan Wei-han, deputy director of the PLA General Political Department. During their talks which proceeded in a cordial and friendly atmosphere, the Korean minister said the Chinese army and Korean army are comrades-in-arms sharing weal and woe. He pointed out that now the Korea-China friendship has developed to a new height and so has the friendship between the armies of the two countries.

In his speech, Gan Wei-han expressed thanks for the warm welcome and hospitality given to the Chinese delegation by the Korean people and officers and men of the Korean People's Army. He said the delegation's visit is aimed at learning the good experience of the Korean People's Army in political work. Present on the occasion were Yun Chi-ho and O Kyon-hun, deputy directors of the General Political Bureau of the Korean People's Army, and Chinese Ambassador to Korea Zong Kewen.

DPRK PROTESTS U.S.-S. KOREAN BORDER INCURSIONS

OW150802 Beijing XINHUA in English 0746 GMT 15 Oct 83

[Text] Pyongyang, October 15 (XINHUA) -- Yi Tae-ho, senior member of the Korean-Chinese side to the Military Armistice Commission, in his telephone notices to the U.N. Military Command side on October 13 and 14, protested against South Korean puppet troops' provocations and U.S. plane intrusion. It was reported that a high-speed, high-altitude reconnaissance plane "SR-71" intruded deep into the air space over the territorial waters of the Democratic People's Republic of Korea east of Kosong on a spying mission against the DPRK, flying up to the air over the coastal waters off Chongjin approximately between 10:50 and 10:57 yesterday. On October 13, more than ten South Korean puppet troops intruded into the northern side of the Demilitarized Zone. They fired some 500 bullets at a sentry post of the North.

Yi Tae-ho said that such acts of espionage and provocation are crude violations of the armistice agreement and, at the same time, criminal actions intended to make the situation more strained. He demanded that the other side take responsible steps to prevent the recurrence of such acts or they must bear full responsibility for all the consequences arising therefrom.

HONG KONG TAKES MEASURES TO STABILIZE CURRENCY

Financial Secretary's Announcement

OW151938 Beijing XINHUA in English 1920 GMT 15 Oct 83

[Text] Hong Kong, October 15 (XINHUA) -- Financial Secretary of the Hong Kong authorities John Henry Bremridge today made public two measures for stabilizing the Hong Kong dollar, both of which will come into effect beginning Monday, October 17.

The two note-issuing banks will pay the Hong Kong authorities' exchange fund for additional certificates of indebtedness at a fixed rate of 7.8 to the U.S. dollar, and the Hong Kong authorities will lift the withholding tax on Hong Kong dollar deposits.

While announcing these two measures at a press conference, Bremridge said the exchange rate on the market would continue to be determined by market forces. However, he added, the exchange rate would in practice be close to the fixed rate of 7.8 to the U.S. dollar.

Governor Sir Edward Youde said these new measures resulted from the "most careful consideration."

Bank of China Spokesman

HK150944 Beijing XINHUA Domestic Service in Chinese 0940 GMT 15 Oct 83

[Text] Hong Kong, 15 Oct (XINHUA) -- A spokesman of the Hong Kong branch of the Bank of China welcomes the two measures announced by the financial secretary to stabilize the Hong Kong dollar. He says taking measures is better than adopting an attitude of the so-called "noninterference." This shows that the Hong Kong Government should be responsible for stabilizing the Hong Kong dollar.

The financial secretary has decided to change the structures of exchange rates. The banks of issuance should pay foreign exchange in exchange for certificates of indebtedness with a fixed rate of 1 U.S. dollar against 7.8 Hong Kong dollars. If things happen as the financial secretary has stressed, market transactions in the future will follow the fixed rate. This will be very lucky. We wish it were true. However, market transaction is not tractable and forceful acts and great efforts are needed in order to support such fixed rates so that the Hong Kong dollar will be truly stabilized. If a powerful support is not provided and if the financial secretary tries to stabilize the Hong Kong dollar by only taking such measures, things will go contrary to our wishes. We would like to further remind the Hong Kong Government to take positive and effective measures to check the speculation activities in foreign exchange. If we fail to interfere with the speculation activities, which jeopardize the normal relationship between supply and demand of foreign exchange, stabilizing the Hong Kong dollar will simply be out of the question. Although the decision to call of the tax on interest on Hong Kong dollar deposits is a little late, if it has been made at an early date, it would have been of more help in strengthening people's confidence in the Hong Kong dollar. Abolishing this irrational thing is, after all, much better than not abolishing it at all. We express our support for this decision.

GU MU MEETS BUSINESSMEN FROM HONG KONG, JAPAN

OW170634 Beijing Domestic Service in Mandarin 1200 GMT 15 Oct 83

[Text] State Councilor Gu Mu this afternoon met General Manager (Hu Yingxiang) and Deputy General Manager (He Bingsang) of Hong Kong's Hopewell Industrial Company, Ltd., as well as (Tatsuji Murase), chairman of Japan's Kanematsu Goshu Company's Board of Directors, and (Akira Kawasaki), permanent member of the Bank of Tokyo board of directors.

TIANJIN SIGNS TRADE PACT WITH HONG KONG, SINGAPORE

OW142012 Beijing XINHUA in English 1605 GMT 14 Oct 83

[Text] Tianjin, October 14 (XINHUA) -- Tianjin will start four joint enterprises with Hong Kong and Singapore under contracts signed at a trade and technology importation meeting which ended today. These enterprises will specialize in prawn breeding and production of adhesive-bounded lining cloth of synthetic fiber, terrazo and thin-wall steel tubes, a spokesman for the meeting announced at a press conference.

The meeting, which opened on October 4, also resulted in the signing of 20 contracts for importing technology and equipment. These and other contracts for coproduction, compensation trade and labor services were worth 30 million U.S. dollars in total.

Under labor services contracts, the spokesman said, Tianjin, a major industrial and port city of north China, will send trainees, tailors, acupuncturists and construction workers abroad. The volume of sales transactions concluded by 14 import and export companies at the meeting were "greater than expected," the spokesman added.

Representatives from 700 companies in 48 countries and regions attended the meeting, along with officials of the embassies of Bulgaria, Poland, Czechoslovakia, Hungary and the German Democratic Republic in China.

HONG KONG PUBLISHES PRC COMMODITY JOURNAL

OW170041 Beijing XINHUA Domestic Service in Chinese 0834 GMT 13 Oct 83

[Text] Hong Kong, 13 Oct (XINHUA) -- The bimonthly CHINESE COMMODITY INFORMATION [ZHONGGUO SHANPIN XINXI 0022 0948 0794 0756 0207 1873] was jointly inaugurated in Hong Kong by China's Zhanwang Publishing House and Hong Kong's Huazun Company, Ltd. To mark the occasion, the Huazun Company, Ltd. in Hong Kong gave a cocktail party at the Hilton Hotel here on the afternoon of 12 October. Present were personages from the Industrial, commercial and journalists circles in Hong Kong.

The new bimonthly is a nongovernmental trade journal printed in color and in both Chinese and English, publicizing the latest information about Chinese commodities among overseas markets.

COMMENTARY FLAYS VIETNAMESE ARMED PROVOCATIONS

OW141421 Beijing in Mandarin to Southeast Asia 0900 GMT 13 Oct 83

[Commentary by station commentator Ya Ming: "Vietnamese Authorities Carried Out Armed Provocations Against China Under Cover of Cease-Fire Proposal"]

[Text] More than 1 month ago the Vietnamese Foreign Ministry, through delivering a note and issuing a statement, made a proposal that the two sides -- Vietnam and China -- stop their armed activities in the border areas between their countries and other hostile activities during the period of their national days, namely 30 August-8 October, and declared that Vietnam had already ordered its armed forces to act strictly in accordance with the proposal.

But what did facts show? According to estimates, from the end of August to the end of September, there were more than 30 incidents of armed provocations and intrusions by the Vietnamese troops on the China-Vietnam border, during which more than 2,000 rounds of various shells and small arms were fired against areas inside the Chinese border and many people in the Chinese frontier areas were killed and wounded.

For instance, on 22 September, the Vietnamese attacked the militia outposts in the (Shuitou) area of Maguan County in Yunnan with machineguns and mortars, and destroyed a number of buildings there. On 31 August two Vietnamese gunboats blatantly intercepted two Chinese fishing boats on the high seas in the Beibu Gulf and forcibly took the fishermen's certificates and many other articles belonging to them. Also, on 4 September Vietnamese troops opened fire on two Chinese fishing boats which were on a normal fishing run in the waters of (Hongshatou) in Fangcheng County, Guangxi. These facts fully demonstrated that the Vietnamese authorities' so-called proposal of cease-fire during the national day period was clearly a trick to deceive other people.

The Chinese and Vietnamese people have a traditional friendship. Both the Chinese and Vietnamese people hope the China-Vietnam border will always be kept in peace and stability. In recent years, however, the Vietnamese authorities, which are pushing an anti-China policy and harboring resentments against China for refusing to support their Indochina federation plan, have constantly created tensions on the China-Vietnam border. We hope the Vietnamese authorities will make a fresh start by abandoning their policy for regional hegemony and stop their provocations along the China-Vietnam border. We hope they will use actual deeds to improve relations between China and Vietnam.

Vietnamese authorities consistently use words of peace to cover up military actions. They have resorted to this tactic in handling its relations with China and also in dealing with the ASEAN countries. While talking glibly about partial troop withdrawal and regional dialogue, they are simultaneously stepping up their actions of aggression in Kampuchea in an attempt to realize their wild ambition of asserting hegemony in Indochina and proceeding from there to carry out expansion into Southeast Asia.

The Vietnamese authorities' double-dealing tactic of saying one thing while meaning another has aroused the vigilance of international society.

WU XUEQIAN BEGINS OFFICIAL VISIT TO TURKEY

OW161958 Beijing XINHUA in English 1944 GMT 16 Oct 83

[Text] Ankara, October 16 (XINHUA) -- The visiting Chinese Foreign Minister Wu Xueqian and his Turkish counterpart, Ilter Turkmen, agreed here this evening that foreign troops must withdraw from Afghanistan and Kampuchea. Statements to this effect were made by the two foreign ministers in their speeches at a dinner given by the host Turkmen in honor of Wu Xueqian.

Wu, also one of China's state councillors, arrived here this afternoon to pay an official goodwill visit to Turkey.

Turkmen said, Turkey advocates the peaceful settlement of Afghan and Kampuchean issues, the ending of foreign occupation of these two countries, letting the Afghan and Kampuchean peoples to determine their own future freely.

Wu Xueqian said, "We support firmly the anti-aggression struggle of Afghan and Kampuchean peoples. Foreign occupation troops should withdraw from Afghanistan and Kampuchea immediately and unconditionally. Let the Afghan and Kampuchean peoples to determine their own destiny."

The two ministers also denounced Israel for its expansionist policy and called on Israel to quit all Arab lands now under its occupation. All the legitimate rights of the Palestinian people must be recovered.

Wu declared, "The Chinese Government and people will spare no efforts to strengthen its solidarity and cooperation with the other Third World countries in safeguarding world peace and security human progress."

In their speeches, the two ministers expressed their satisfaction on the rapid development of friendly relations and cooperation in many fields between the two countries in recent years and hoped these relations would be further developed.

Upon his arrival at the airport, Wu told reporters that he came to visit this country with the sincere desire to promote mutual "I am confident that my visit will be a complete success," he said. [sentence as received]

EDUCATION MINISTER LEADS DELEGATION TO EUROPE

OW152134 Beijing XINHUA in English 1549 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- Minister of Education He Dongchang and his party left here this evening for a tour of the Federal Republic of Germany, Denmark and Sweden.

JURISTS DELEGATION DEPARTS ON EUROPEAN TOUR

OW152132 Beijing XINHUA in English 1548 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- A Chinese jurists delegation led by Minister of Justice Zou Yu left here this evening to visit Belgium, France and Italy.

PRC TO HOST BUSINESS LEADER SYMPOSIUM IN 1984

OW142040 Beijing XINHUA in English 1830 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- The fourth China-Europe business leaders symposium is expected to be held here in mid-October next year. This was announced at the closing session of the third China-Europe business leaders symposium which ended here today. The symposium was co-sponsored by the European Management Forum (EMF) foundation and the China Enterprise Management Association (CEMA).

Addressing the closing session, CEMA Deputy Secretary-General Pan Chenglie said that Chinese enterprise leaders and business executives from five continents exchanged management skills during the symposium, contributing to the effective economic, technical co-operation and of trade in the future.

Papers presented by foreign participants, he said, have helped acquaint their Chinese colleagues with the latest developments in the world economy today.

Dr. Stephan Garelli, director of EMF foundation, told XINHUA that the symposium provided business leaders from Europe and other continents with the valuable, first-hand information on the economic policies which are being implemented in China. Through the symposium, he added, foreign business leaders have established contacts with their Chinese partners. "EMF will continue the positive work in the future," Dr Garelli said.

Mr Hans W. Reif, president of the Frey Eastern Development (Europe) Ltd. of Switzerland, said: "I admire the openness of the Chinese leaders to tell us your weakness and what you need. This is a way leading to much better co-operation between us." Mr. Reif, who made five trips to China last year, also expressed the hope of conducting more individual discussions between Chinese and foreign participants in similar, future symposiums.

WAN LI MEETS GENEVA AGRICULTURAL DELEGATION

OW141147 Beijing XINHUA in English 1145 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- Vice-Premier Wan Li met and had a friendly conversation here this afternoon with an agricultural delegation from the Canton of Geneva, Switzerland. The delegation is led by Pierre Wellhauser, president of the Council of State of the canton and chief of its Department of Interior and Agriculture.

WANG ZHEN MEETS VISITING ITALIAN SENATOR

OW151158 Beijing XINHUA in English 1150 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- Wang Zhen, member of the Political Bureau of the Chinese Communist Party Central Committee, met and had a friendly conversation here this afternoon with Italian Senator Giulio Orlando.

LI XIANNIAN RECEIVES DANISH ENVOY'S CREDENTIALS

OW140857 Beijing XINHUA in English 0718 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- Flemming Hedegaard, new Danish ambassador to China, this morning presented his credentials to Chinese President Li Xiannian. Hedegaard visited China in 1979 as a member of the entourage of Queen Margrethe II.

CHEN MUHUA MEETS BRITISH, FRENCH GROUPS

British Banking Delegation

OW141215 Beijing XINHUA in English 1202 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, met with T.H. Beven, chairman of the Barclays Bank Ltd., and his party here this afternoon.

Chen Muhua told the guests she is glad that trade and economic relations between China and Britain have been going on in an upward trend. The volume of bilateral trade in the the first eight months of this year was greater than what it was in the corresponding period of 1982. State Councillor Chen said she hopes that the Barclays Bank would strengthen cooperation with the Bank of China and Chinese economic departments in developing energy and initiating joint ventures in China. The British bankers arrived here yesterday as guests of the Bank of China.

French Chemical Group

OW141205 Beijing XINHUA in English 1155 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- Chen Muhua, China's state councillor and minister of foreign economic relations and trade, met with Le Floch Prigent, president of Rhone-Poulenc S.A., a big chemical company in France, and his party here this afternoon. The French entrepreneurs came to China to negotiate cooperative items with China's Ministry of Chemical Industry and other economic departments.

SINO-BELGIAN TRADE ANNIVERSARY CELEBRATED

OW071448 Beijing XINHUA in English 1443 GMT 7 Oct 83

[Text] Beijing, October 7 (XINHUA) -- On the occasion of the 20th anniversary of the founding of Sodexim Sino-Belgian Trade Henri Lederhandler, [as received] president of the company, gave a dinner at the Beijing Hotel here this evening.

Attending were Wang Yaoting, chairman of the China Council for the Promotion of International Trade, and Wang Pingqing deputy to the minister of foreign economic relations and trade.

Founded in 1963 the company had done a great deal to expand trade between China and Europe, particularly between China and Belgium.

NPC VICE CHAIRMAN CHEN PIXIAN VISITS BELGIUM

OW161820 Beijing XINHUA in English 1637 GMT 16 Oct 83

[Text] Brussels, October 16 (XINHUA) -- Chen Pixian, vice-chairman of the Standing Committee of the Chinese National People's Congress, arrived here today to start his six-day official and friendly visit to Belgium.

Chen, who headed a Chinese NPC delegation was greeted at the railway station by the Belgian Senate President Edward Leemans and the President of the Chamber of Representatives Jean Defraigne.

Chen came from Strasbourg, France, where he paid a visit to the European Parliament.

MARX, ENGELS EXHIBITION HELD IN FRG

OW161013 Beijing XINHUA in English 0728 GMT 16 Oct 83

[Text] Bonn, October 15 (XINHUA) -- An exhibit on "Marx's and Engels' Works in China" was opened today at the former residence of Marx in Trier, Federal Germany.

The exhibit, held by the Chinese "Bureau for the Translation of Marx-Engels-Lenin-Stalin's Works," puts on show a total of 250 items, presenting a general picture of the spread in China of the two revolutionary leaders' works.

Opening the four-week exhibit, Hans Peuger, president of a study center of Marx located at his former residence on whose invitation the present exhibit was held, said that the exhibit showed the influence of Marx's and Engels' works on the Chinese nation and its struggle for social liberation. He added that the exhibit was held with the all-out support from the Rhineland-Palatinate State Governor Bernhard Vogel and the Friedrich Ebert Fund.

BEIJING RECEPTION MARKS PDY REVOLUTION DAY

OW251244 Beijing XINHUA in English 1235 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- The Chinese People's Association for Friendship With Foreign Countries gave a reception here this afternoon to celebrate the 20th anniversary of the 14th October revolution of the People's Democratic Republic of Yemen.

Lin Lin, vice-president of the association, presided over the reception. Yasin Ahmad Salih, Democratic Yemen ambassador to China, was present.

A color Chinese film "The Chang Family of Clay Sculptors" was shown after the reception.

Ji Pengfei Attends Reception

OW141249 Beijing XINHUA in English 1226 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- Yasin Ahmad Salih, ambassador of the People's Democratic Republic of Yemen to China, gave a reception here this afternoon to mark the 20th anniversary of the 14th October revolution of his country. Chinese State Councillor Ji Pengfei and Vice-Foreign Minister Wen Yezhan were among the guests at the reception.

KANG KEQING MEETS CAMEROON WOMEN'S DELEGATION

OW152146 Beijing XINHUA in English 1529 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- Kang Keqing, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference and president of the All-China Women's Federation, met with a women's delegation from Cameroon and gave a banquet in their honor here this evening. The delegation is led by Mme Delphine Tsanga, minister of social affairs and president of the women's organization of the National Union of Cameroon.

REPORTAGE ON PRC ISLAMIC GROUP IN SUDANReceived by President Numayri

OW150542 Beijing XINHUA in English 0112 GMT 15 Oct 83

[Text] Khartoum, October 14 (XINHUA) -- Sudanese President Ja'far Muhammad Numayri attended a religious service together with the visiting Chinese muslim delegation and later received the delegates and accepted a copy of the Koran published by the China Islamic Association presented to him as a gift of the Chinese Muslims. The delegation headed by Salih an Shiwei, vice-chairman of the China Islamic Association, arrived here on October 10 to pay a seven-day visit to Sudan.

Delegation Ends Visit

LD161545 Beijing XINHUA in English 1340 GMT 16 Oct 83

[Text] Khartoum, October 16 (XINHUA) -- A Chinese Islamic delegation led by Iman al-Hajji Salih an Shiwei, vice-president of the Islamic Association of China, left here for Morocco today after its one-week visit to the Sudan.

Sudanese President Ja'far Muhammad Numayri and First Vice-President 'Umar Muhammad at-Tayyib respectively observed the Friday religious ceremony with the delegation members and had friendly talks with them. Dr. Yusuf Khalifa, chairman of the Higher Council for Religious Affairs and Endowments, received the delegation on October 12. He expressed the hope that the exchange and friendly cooperation between the Muslims of the two countries will be further strengthened. The delegation also visited the Omdurman Koran Academy and a number of Islamic religious activities, centers and mosques. It held academic exchanges with Sudanese Islamic scholars and were interviewed by Sudanese TV stations.

PENG CHONG ACCEPTS INVITATION TO VISIT MEXICO

OW141935 Beijing XINHUA in English 1904 GMT 14 Oct 83

[Text] Beijing, October 14 (CINHUA) -- Peng Chong, vice-chairman of the Standing Committee of the National People's Congress, accepted an invitation to visit Mexico on behalf of the N.P.C. Standing Committee during a meeting here this evening with Senator Victor Manzanilla. Senator Manzanilla presented a letter from President of the Mexican Senate Miguel Gonzalez Avelar to Peng Zhen, chairman of the N.P.C. Standing Committee, inviting the N.P.C. Standing Committee to send a delegation to Mexico.

Senator Manzanilla said that the Mexican Congress attached great importance to strengthening its relations with its Chinese counterpart, adding that the exchange of experiences and opinions on the matters of common interest is useful for deepening their understanding and increasing their cooperation. The relations between the two countries are very good, Peng Chong said. The friendly contacts between the two congresses is not only conducive to enhancing the understanding and friendship between the two peoples but also in accordance with the interest of the two countries, thus contributing to the cause of safeguarding the world peace, he added.

Peng Chong gave a dinner in honour of the senator after the meeting. Present were Deputy Secretary-General of the N.P.C. Standing Committee Wang Houde, and Mexican Ambassador to China Eugenio Anguiano and Mrs. Anguiano. Senator Manzanilla arrived in Beijing today.

FURTHER REPORTAGE ON VISIT OF CANADIAN DELEGATION

Wang Bingnan Greets Group

OW152142 Beijing XINHUA in English 1527 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, met with Chester Ronning, a Canadian, old friend of the Chinese people, and his family members and gave a dinner in their honor today. The Ronnings arrived here yesterday as guests of the host association. They will travel to cities in northwest China before visiting Xiangfan in Hubei Province, Mr Ronning's birthplace.

Received by Huang Hua

LD161549 Beijing XINHUA in English 1343 GMT 16 Oct 83

[Text] Beijing, October 16 (XINHUA) -- Canada's China-born former diplomat Chester A. Ronning and his children were guests at a banquet given by Huang Hua, vice-chairman of the National People's Congress Standing Committee, here this evening.

Ronning, 89, whose last China visit was in 1975, told Huang Hua that tremendous changes have taken place in China. Huang Hua, who was one-time Chinese foreign minister and ambassador to Canada, said that China still has a long way to go to fulfill its modernization program. Born in Fancheng (now called Xiangfan) in Hubei Province, Ronning revisited China in 1971, 1973 and 1975, when he saw his old friends Premier Zhou Enlai and Vice-Chairman of the People's Republic Dong Biwu. Ronning wrote a book entitled "Memoirs of China in Revolution" in which he described New China's achievements in reconstruction. Ronning is visiting China with his four daughters and 58-year-old son. "We have a family reunion in China," Ronning said. His second and third daughters are naturalized Americans while the fourth daughter is a Norwegian. Ronning and his children converged on San Francisco Airport to form this international family group to China.

The Ronnings arrived here October 14 as guests of the Chinese People's Association for Friendship With Foreign Countries. Their scheduled three-week visit will bring them to Xian, Lanzhou, and the Dunhuang grottoes in northwest China, as well as Wuhan and Ronning's birthplace, Fancheng (now called Xiangfan) City, in Hubei Province, central China.

COMMUNIQUE ON CPC CENTRAL ADVISORY COMMISSION PLENUM

LD161542 Beijing XINHUA in English 1357 GMT 16 Oct 83

[Text] Beijing, October 16 (XINHUA) -- Following is a communique on the second plenary meeting of the Central Advisory Commission of the Communist Party of China:

The second plenary meeting of the Central Advisory Commission of the Communist Party of China was held in Beijing October 15 and 16, 1983.

Presiding over the meeting were Bo Yibo, vice-chairman of the commission, and Lu Dingyi and Liu Lantao, Standing Committee members of the commission. The meeting was attended by 153 members of the commission.

General Secretary of the Central Committee Hu Yaobang attended the meeting and made an important speech.

The meeting expressed unanimous support for the C.P.C. Central Committee decision on party consolidation adopted at the Second Plenary Session of the 12th party Central Committee, showed unanimous approval of the important speeches made by Comrades Deng Xiaoping and Chen Yun at the plenary session of the Central Committee, and discussed how the Central Advisory Commission and its members should play their role in party consolidation.

Commission members attending the meeting also discussed the commission's work since its establishment more than a year ago and arrangements for its work ahead, and approved unanimously a report on the work of the Central Advisory Commission to be submitted to the Central Committee.

JIEFANGJUN BAO EDITORIAL ON CPC RECTIFICATION

OW150924 Beijing Domestic Service in Mandarin 0200 GMT 15 Oct 83

[Text] Today's JIEFANGJUN BAO carries an editorial entitled "Conscientiously Study the Documents, Actively Take Part in Party Rectification."

The editorial says: Our party has convened the 2d Plenary Session of the 12th CPC Central Committee and adopted a decision on party consolidation. Comrades Deng Xiaoping and Chen Yun separately delivered important speeches on issues concerning party consolidation. In his speech, Comrade Deng Xiaoping also put forward the question on how to strengthen work on the ideological front.

The plenary session called on party members to conscientiously study the CPC Central Committee decision on party consolidation and actively take part in party consolidation. Party organizations at all levels and all party members in our army must resolutely respond to the call issued by the party Central Committee and implement its decision.

The editorial says: Our party is a great, long-tested Marxist party. It is faced with the new, great, and glorious but extremely arduous historical task of developing the socialist modernization drive. However, our party still has serious impurities in ideology, work style, and organization as well as many serious problems that we have not yet had time to sort out and solve. Only by carrying out party consolidation in a systematic and all-round manner will it be possible to make our party conform to the needs of the new situation and new tasks facing us.

The decision of the second plenary session pointed out: The present party consolidation is a major step our party must take to achieve fresh great victories in the new historical period. It is a fundamental guarantee for achieving -- under the precondition of constantly raising economic results -- the magnificent goal of quadrupling the nation's gross annual output value of industrial and agricultural production by the end of this century, a goal that was set forth at the 12th party congress. It is also a fundamental guarantee for building China into a modern, culturally advanced, and highly democratic socialist country.

The decision made by the central authorities manifests the guideline set forth by the 12th party congress. It has clearly defined the basic principles, tasks, policies, and methods for the present party consolidation. The central authorities' decision also calls on party organizations in various areas, departments, and units to closely combine the designated principles, policies, and methods with their actual conditions, and to faithfully follow the decision's various stipulations and creatively implement them. The CPC Central Committee decision is based on the party's historical experience and the current situation in the party and from experiments at selected points and comprehensively solicited opinions. It was earnestly discussed at the second plenary session and unanimously adopted by this session. By implementing this decision, we will definitely be able to ensure the correct and triumphant development of party consolidation.

The editorial says: With arms in hand, our army is the pillar of support for the people's democratic dictatorship and shoulders the great mission of safeguarding the security of the motherland and the building of the four modernizations. In light of this, party consolidation in the army is particularly important and puts stricter demands on us.

The problems among party organizations and members, which are pointed out in the central authorities' decision, are precisely the problems existing among party organizations and members of our army. We must, in accordance with the demands of the decision, achieve ideological unity, rectify work style, strengthen discipline, and purify the organization. We must conscientiously solve those serious problems that should be solved and do a good job particularly in purifying the organization by expelling the three types of people in order to eliminate a hidden peril.

Young Communists constitute the majority of party members in our army. Although they have many good qualities, they lack sufficient understanding of the basic theory of Marxism and basic knowledge of the party, revolutionary experience, and training of inner-party political life and, therefore, are likely to be influenced by various -- leftist or rightist -- erroneous ideas. Raising their ideological consciousness and helping them to become mature as quickly as possible through party consolidation will have an important bearing on the building of both the party and the army.

The editorial says: We must assume a firm, serious, and earnest attitude in conducting party consolidation which should never be carried out perfunctorily. Leading party cadres, particularly senior cadres, must set a good example in order to lead the broad masses of party members in successfully carrying out party consolidation. Party members, particularly leading cadres, must be fully aware that the question of party work style is one concerning the life or death of the ruling party and must strive to eliminate all unhealthy practices. They must dare to struggle against all forces hostile to socialism, the corrosive influence of decadent bourgeois ideology, and remnant feudal ideas, and against acts that cause spiritual pollution. They must also dare to struggle against acts of seeking personal gains by taking advantage of one's power and position, and overcome the softness, weakness, and laxity in the political ideological leadership.

So long as one is a communist he must consciously uphold the four basic principles, resolutely implement the line, principles, and policies formulated since the convening of the 3d Plenary Session of the 11th CPC Central Committee, maintain ideological and political unity with the party Central Committee, and ensure the party's absolute leadership over the army.

In conclusion the JIEFANGJUN BAO editorial says: Consolidation has been carried out many times in our party's history. The most notable was the Yanan rectification campaign in 1942, which achieved a high degree of ideological unity in the entire party, ensured the victories of the war of resistance against Japan and the liberation war, and founded the People's Republic of China. Now, our party has decided on an overall rectification of party style and a consolidation of party organizations over a 3-year period. Party consolidation will definitely raise the entire party's Marxist level, achieve a basic turn for the better in the party's style, and enable our party to more effectively lead people of all nationalities in the country to win a great victory in socialist modernization and enable our army to become a greater wall of steel guarding our socialist motherland and an important force in building a socialist material and spiritual civilization.

BELJING REVIEW SAYS EXECUTED TIBETANS WERE CRIMINALS

OW151210 Beijing XINHUA in English 1132 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- The six people executed late last month in Lhasa, capital of the Tibet Autonomous Region, were all criminals who had committed particularly serious crimes, the latest issue of BELJING REVIEW reports in an editor's note.

Three of the six were of Han nationality, one of Manchu nationality and two of Tibetan nationality, the note says. One of the Tibetans was Gimei Duoqi, who had sold guns for profit, committed burglary on more than 20 occasions, and escaped from jail five times. He resisted arrest with arms. The other one was Suolang Ciren, leader of a gang who had committed robbery 19 times.

Commenting on the rumour and distortion about the matter in the foreign press and by people overseas, the note says that there was no such "incident" at all in Lhasa as the execution of Gesang Luosang Wangqiu Lama of the Daipung Monastery and others. The note says that the ongoing campaign to crack down on criminals all over China including Tibet is aimed at combating serious criminal offenders. The severe punishment for felons like Gimei Duoqi and Suolang Ciren is aimed at protecting the lives and property of the Tibetan people, and the normal order of socialist construction, the note says.

China practises a policy of national unity, national equality and common prosperity for all nationalities, and applies the principle that citizens of all nationalities are equal before the law, the note adds. The central authorities and the People's Government of Tibet have repeatedly said that all Tibetan compatriots now residing abroad are welcome to come back to visit their relatives and friends or settle down again, BELJING REVIEW recalls. But they must, like other Chinese citizens, abide by the laws of the state, it says. If they violate the law, they will be called to account legally in the same way as other law-breakers.

The editor's note expresses the hope that Tibetan compatriots now residing abroad will give no credence to rumors, and guard against the schemes of the separatists and other people harboring malice against China.

The central authorities and the People's Government of Tibet sincerely welcome the Dali Lama and his followers to return to China at an early date and, together with the people throughout the country, make contributions to safeguarding the unification of China, promoting national unity and achieving the four modernizations, the note concludes.

MEMORIAL SERVICE HELD FOR LIU SHENGBIAO

OW161455 Beijing XINHUA Domestic Service in Chinese 1436 GMT 15 Oct 83

[Excerpts] Beijing, 15 Oct (XINHUA) -- Liu Shengbiao, head of the Central Control Commission's Control Group in the former Ministry of Supplies Administration, died in Beijing on 24 September 1983 after failing to respond to medical treatment. He was 79.

A memorial service was held at the auditorium of the Babaoshan Revolutionary Cemetery in Beijing this afternoon. Wreaths were sent by Wang Zhen, Yu Qiuli, Chen Muhua, Gu Mu, Bo Yibo, Huang Kecheng, Wang Heshou, Liao Hansheng, Zhang Jingfu, Song Ping, and Lu Zhengcao. Liao Hansheng, Song Ping, Lu Zhengcao, and others attended the memorial service which was presided over by Yuan Baohua, vice minister in charge of the State Economic Commission. Li Kaixin, director of the State Bureau of Supplies, delivered the memorial speech.

Comrade Liu Shengbiao hailed from Anfu County, Jiangxi Province. He joined the Communist Party of China in 1928. He took part in the Long March and devoted more than 20 years of his life to the cause of liberation of the Chinese people. After the founding of New China he was engaged in economic work. He served as a member of the State Planning Commission and concurrently was director of the State Bureau of Supplies Reserve and a member of the State Economic Commission and deputy director of the State General Bureau of Supplies Administration. He also served as deputy to the Third National People's Congress and member of the Fifth CPPCC National Committee.

RENMIN RIBAO RECALLS LATE CPPCC MEMBER LI SHIZHANG

HK150536 Beijing RENMIN RIBAO in Chinese 12 Oct 83 p 5

[Article by Wang Kunlun, Qu Wu, and Zhu Xuefan: "Deeply Mourn Comrade Li Shizhang and Promote the Third Cooperation Between the KMT and the CPC"]

[Excerpts] A member of the CPC, a member of the CPPCC National Committee's Standing Committee, vice chairman of the KMT Central Revolutionary Committee, and vice chairman of the CPPCC's Jiangxi Provincial Committee, Comrade Li Shizhang unfortunately passed away due to illness in Shanghai on 27 June 1983. From his youth, Comrade Li Shizhang joined the revolutionary ranks and devoted himself for a long time to the cause of KMT-CPC cooperation. With his passing we lost a good comrade, and his death is also a loss to the patriotic united front.

Mourn Shizhang, Send Words to Taiwan

From his youth, cherishing high ideals of saving the country and people, Comrade Li Shizhang always placed himself in the forefront of the revolution. He was an early member of the CPC and also the first party member to join the organized KMT.

The course of Comrade Li Shizhang's 83-year life was mingled with the two cooperations and divisions between the KMT and the CPC. What he pursued and safeguarded all his life was KMT-CPC cooperation and the cause of peacefully building the country. He was a good member of the Communist Party and also a good member of the KMT which upheld the three great revolutionary policies and was loyal to the revolutionary legacy of Dr Sun Yat-sen.

Comrade Li Shizhang sincerely supported the proposal offered by the CPC Central Committee on realization of the third KMT-CPC cooperation and took a particular interest in the great cause of reunification of the motherland, including Taiwan. For this, full of great enthusiasm, he often wrote articles and delivered speeches, thus contributing in this respect. In commemoration of the 100th anniversary of the birthday of Cheng Qian, NPC Standing Committee vice chairman, he wrote an article in RENMIN RIBAO on 26 June last year saying: "During his lifetime, Comrade Cheng Qian was very concerned with the return of Taiwan to the motherland and the realization of the great cause of reuniting the motherland. On many occasions he wrote articles and letters, delivered speeches, and sent words to his old friends and acquaintances and old subordinates now residing in Taiwan and abroad, recounting his original intention to follow Dr Sun Yat-sen in making revolution, recalling past events in which he participated in the first and second KMT-CPC cooperations, and hoping that they could make concerted efforts to contribute to the great cause of reuniting the motherland in the spirit of 'all patriots belong to one big family, whether they rally to the common cause early or late.'" Comrade Li Shizhang practiced precisely what Comrade Cheng Qian hoped for in this regard. A full year has just passed since publication of his article in memory of Comrade Cheng Qian. Unexpectedly, Comrade Shizhang suddenly passed away. It is perhaps a matter of the greatest regret for Comrade Shizhang to fail to personally see on his deathbed the coming of the day when the third KMT-CPC cooperation is realized and the complete reunification of the motherland is celebrated by people throughout the country.

In his early days Comrade Li Shizhang was a teacher in the Whampoa Military Academy and held posts in the Sixth Army and the first war zone of the National Revolutionary Army for a long time. Thus, quite a few of his fellow officials and officers now reside in Taiwan and abroad. To promote the early realization of the third KMT-CPC cooperation, CPC Leader Comrade Deng Xiaoping has put forth further tentative ideas, eagerly awaiting the positive response of the Taiwan authorities. Those who are for the reunification of our motherland are patriots. It is our bounden duty to rejuvenate China. Every son and daughter of the Chinese people must contribute to peaceful reunification of their motherland with all their hearts and all their might, so as to console the martyrs of the CPC and the KMT who spared no effort in realizing KMT-CPC cooperation. This is also the best way to commemorate Comrade Shizhang.

JIEFANGJUN BAO REPORTS PLA GRASSROOTS BUILDING

OW160630 Beijing Domestic Service in Mandarin 2230 GMT 14 Oct 83

[Text] According to a report in JIEFANGJUN BAO, in line with the instruction issued by the CPC Central Committee's Military Commission on vigorously strengthening the building of grassroots units, leading organs at all levels in the whole army have -- after restructuring leading bodies -- quickly shifted the work emphasis to grassroots building. As of the end of September, over 106,000 cadres from leading organs at and above regimental level have gone down to more than 20,000 companies and other grassroots units.

The large number of office cadres who have gone down to the grassroots have covered extensive areas, taken action rapidly and achieved good results. They have followed special characteristics:

1. They have a clear and definite guiding principle. Party committees at various levels hold that in doing grassroots work it is necessary to take as the guiding principle the instruction of Chairman Deng Xiaoping of the CPC Central Committee's Military Commission on studying and solving questions of how to revive and carry forward the fine tradition of the political work and raise our army's combat effectiveness under the new historical condition by appraising various types of companies and other grassroots units to gain experience in intensifying grassroots building in the new period.
2. Leading cadres are serving as good examples. From the nine major units, including the Beijing, Shenyang, Jinan, Kunming, Lanzhou and Urumqi Military Regions, the Navy, the Air Force, and the PLO General Logistics Department, 49 responsible persons have gone down to the grassroots. These leading comrades have stayed at selected spots and performed their duties in a down-to-earth manner.
3. They have worked hard to understand the real situation while helping the grassroots effectively solve problems.

NIE RONGZHEN GREETS PLA WAREHOUSE WORK MEETING

OWL40951 Beijing Domestic Service in Mandarin 2340 GMT 13 Oct 83

[Excerpt] Nie Rongzhen, vice chairman of the CPC Central Committee's Military Commission, has said in a letter to the all-army conference on warehouse work: Warehouse work is also a science. To do it well one must first have enthusiasm for the work. Next, one should study assiduously to acquire knowledge in the related field of science and technology and in scientific management. It would be even better if one could come up with some inventions or technical innovations while doing one's work.

SEMINAR HELD ON SUN YEFANG'S ECONOMIC THEORIES

Bo Yibo Sends Letter

HK140538 Shanghai SHIJIE JINGJI DAOBAO in Chinese 19 Sep 83 p 2

["Text of Bo Yibo's Letter Written on 7 September 1983 to Seminar on Sun Yefang's Economic Theories"]

[Text] A Seminar on Sun Yefang's Economic Theories

This seminar is, in my opinion, of great significance and great necessity. I am very sorry that I cannot attend it. I am writing a short letter giving some of my ideas for reference.

Comrade Sun Yefang is a well-known Marxist economist of our country. As early as in the 1930's and the 1940's he directed valuable efforts toward disseminating Marxist economic theories in China. After liberation I had some contact with him. He paid great attention to delving into the world of reality to investigate conditions and to study different viewpoints. Combining theory with practice, he strived to explore the objective law of China's economic development. From the latter part of the 1950's to the early 1960's he made a relatively pertinent analysis of our system of managing the national economy and of certain economic policies. He also put forth certain ideas and views that carried weight. For example, he called for paying attention to the role of the law of value in planning work, for elevating the place of the profit target in economic management, for raising the depreciation rate on fixed assets, and so on and so forth.

After the downfall of the "gang of four" he went deep into certain areas in the northwest and the southwest to make on-the-spot surveys. He actively studied new conditions and new problems that cropped out in socialist economic construction and put forth certain creative views. These views were affirmed and cited by relevant leadership organs and leadership cadres.

Comrade Sun Yefang's achievements in economic research are generally recognized. His many theoretical viewpoints are accurate and realistic. By saying so I am not lavishing praise on him. Of course his viewpoints on economic theories still call for further discussion and assessment in the field of economic theory and for the further test of practice. On the other hand, some aspects of some of Comrade Sun Yefang's viewpoints on economic theories, in my opinion, also leave room for improvement or debate. For example, in the 1960's he believed that within the limits of the system of ownership by the whole people, relations between commodities and money did not exist, that enterprises should have authority over matters only to the extent that the magnitude of value of funds for simple reproduction was properly taken care of and that enterprises should have no power to decide the magnitude of value of funds for expanded reproduction, and so on and so forth. These points are arguable. Of course, these viewpoints are traceable to the then historical background. I do not know whether he later further explained these points.

Comrade Yefang's contributions to economic theories were inseparable from his fine study style. He had a relatively good grounding in Marxist theory. He also paid attention to studies and investigations. His theoretical research work followed a correct direction. He did research for the sake of solving major problems in socialist economic construction and not for its own sake. What recommended Comrade Yefang was also his courage to uphold truth and to correct mistakes. Even under serious political persecution, he did not give up his correct theoretical viewpoints. His spirit of not reckoning with personal loss or gain and thinking nothing of his personal safety and his fine study style of linking theory with practice must be emulated by every one of us.

Comrade Yefang suggested that we should seek common ground while reserving differences and that differing views should be openly debated in magazines. Criticisms should also be made by pointing out a person's name. He did not impose his own viewpoints on others. Instead, he linked other people to discuss and criticize his own viewpoints. Up to the time of his death he still expressed the hope that people would criticize his economic viewpoints. The seminar on Sun Yefang's economic theories now being held in Wuxi City is doing things in line with the spirit bequeathed from him. It is hoped that comrades attending the seminar will air their own views and say what they want to say in line with the spirit of seeking truth from facts. Just as Comrade Sun Yefang said, "it is hoped that everyone will give wide publicity to viewpoints that everyone thinks are correct. But meanwhile, concerning those viewpoints which are one-sided and even wrong, it is also hoped that we should criticize them unceremoniously to avoid doing harm to society." Such a scientific attitude of pursuing truth displayed by Comrade Yefang must be energetically promoted. The scientific undertakings of human society progress because those people daring to seek truth keep discovering truth, upholding truth, and correcting mistakes. We should acquire such a spirit and dare to make studies and assiduously to do research. We must make our proper contributions to prosperity in our social scientific undertakings and to our socialist modernization effort.

Xue Muqiao Delivers Speech

HK120855 Shanghai SHIJIE JINGJI DAOBAO in Chinese 19 Sep 83 p 2

[Speech by Xue Muqiao delivered on 16 September at a seminar held in Wuxi, Jiangsu, to discuss Sun Yefang's economic theories: "Truth Fears No Criticism From Anyone"]

[Text] Great Influence and Appeal

Today we gather here to hold a seminar to discuss Sun Yefang's economic theories. Almost all well-known economists throughout the country, except several who cannot attend this meeting for special reasons, have come to Wuxi, the hometown of Comrade Sun Yefang. Comrade Bo Yibo also wrote a letter full of warm greetings to the seminar. All this shows that Comrade Sun Yefang's theory has a great influence in our country and that his manner of pursuing his studies is greatly moving.

He Always Advocated the Spirit of Seeking Common Ground While Reserving Differences

This seminar is held according to Comrade Sun Yefang's wish. Comrade Yefang never rested content with his achievement in economic studies, so he hoped that a seminar would be held to examine and appraise his economic theories. People at the seminar can air views in complete agreement with his theory, or publish views different from his in some aspects or even state opposing views. Truth fears no criticism from anyone. Only through mutual criticism can we discover truth. Comrade Yefang always maintained that theoretical discussions should be carried out in the spirit of "seeking common ground while reserving differences." He always welcomed criticisms from all quarters (so long as they were not malicious attacks).

A General Review of Economic Studies in the Past 30 Years and More

Because Comrade Yefang's economic theories deal with many major issues in the socialist economy, this meeting will not only appraise Comrade Yefang's achievements in his economic studies but will also generally review socialist economic theory developed in the past 30 years and more in our country. It is of great significance to promoting the realization of modernizing our socialist economy in the four areas.

Like Many Scientists, the Road He Traversed Was Extremely Rough and Difficult

Like many great scientists including Marx, Comrade Yefang traversed a road which was extremely rough and difficult. He encountered malicious criticism from many comrades and attacks launched by conspirators and careerists such as Kang Sheng, Chen Boda, and Zhang Chunqiao. During the "Cultural Revolution," Comrade Yefang was vilified and named the "number one revisionist" among Chinese economists. Now his reputation has been thoroughly rehabilitated. Comrade Yefang was absolutely not a revisionist; conversely, he was an overcautious Marxist. Arguments which are "imperfect or open to question" as Comrade Bo Yibo pointed out in his letter are by no means revisionist problems.

Often Exchanged Views and Accepted Correct Criticisms

Comrade Yefang and I were friends for half a century. Comrades here also know that we used to argue with each other about this or that issue. Therefore, I cannot but make a speech at the meeting and cannot but touch issues over which I disputed with Comrade Yefang. I have reviewed the articles published by him and me in the 1950's and early 60's and I find that the issues involved in those disputes are no longer matters of principle, because we have solved many of these controversial issues through frequent exchange of views and by accepting the other side's correct viewpoints.

It is impossible for me to discuss all economic theories established by Comrade Yefang in a single speech, so have I decided to review and examine the issue of the law of value over which I have argued most with Comrade Yefang. Your criticisms are welcome.

CONSTRUCTION BANKS MUST PREVENT 'PRODICAL WASTE'

HK130605 Beijing RENMIN RIBAO in Chinese 12 Oct 83 p 1

[Editorial: "The Great Responsibility of Construction Banks -- Eighth Discourse on the Whole Country Aiding the Construction of Key Projects"]

[Text] The Chinese people's construction banks are special banks in charge of managing funds for capital construction, so they shoulder important responsibility for managing and using construction funds in a proper way to ensure the handling of priority construction projects.

One principle for ensuring key construction is that funds should be subject to centralized management and used in a reasonable way according to relevant state stipulations. Our country is still fairly poor. The primary thing is to feed our 1 billion people. Hence, money left for capital construction is quite limited. If we do not manage, supervise the use of, and handle payments of, this money through a general caretaker of the money-box, we cannot ensure key construction or receive good returns on our investment.

Since last year, capital construction handled with funds at local disposal and with bank loans has been out of control to a certain degree. A major reason for the improper swell of the scale of capital construction is that our banks have not exercised unified management of, or effective supervision over, investments in capital construction. Therefore we must place emphasis on intensifying the banks' unified management of the funds and on giving further play to the functions of construction banks.

Depositing all construction funds in the hands of central and local authorities in construction banks and using these funds under supervision of the banks which exercise unified management of these funds according to state plans, represents an important principle. Now, some localities and enterprises retain construction funds themselves instead of depositing them in construction banks under the pretext that it is not convenient for them to use the money if it is deposited in the banks. As a result a huge sum of construction funds, totaling billions of yuan, is now still outside the management of construction banks. This is an erroneous practice of evading the banks' supervision. Construction banks must bring their functions into play and really do something to tackle this problem.

At present the important tasks for construction banks are to bring the scale of capital construction under strict control, to check blind and overlapping construction projects, and to stand against various evil tendencies in capital construction. They should, through exercising supervision over appropriations and loans and conducting financial examinations and on-the-spot inspections, prompt construction units to act strictly according to regulations governing capital construction and to abide strictly by financial discipline. They should dare to expose and take resolute measures to check those "loophole projects" handled by the illegal means of reporting an understated budgetary estimate to higher authorities, and should resist the evil tendencies of imposing random levies upon, and even blackmailing state priority projects. Legal action should be taken against serious cases, or criticisms should be made openly through the press.

We should notice that struggles between supervision and anti-supervision and between management and anti-management often occur in capital construction. Construction banks staffs must adhere to principles, be impartial and selfless, and be bold in and good at struggle. They must ensure that not a single penny will be spent on projects outside plans or on unreasonable projects, and that even the "king of heaven" cannot take a single penny away unless he has justifiable reasons.

The construction cause in our country is just unfolding. The projects are large-scale, require enormous investment and long construction time. The work of managing and making use of construction funds is also very complicated. To ensure the proper management of these funds, it is necessary to strengthen our banking organizations and to establish a perfect responsibility system in the banks. These banks should offer their services on the spot and carry out supervision on the spot. By assisting priority construction projects, we do not mean that "the banks should give whatever amount of money to the projects that they wish to have;" conversely, the banks must intensify supervision over the use of money by priority projects and ensure that this money is used in a reasonable way. At the same time the banks should prompt the projects to practice economy and to achieve better results with less money. They must prevent priority projects from causing prodigal waste.

RENMIN RIBAO ARTICLE ON BALANCED ECONOMIC DEVELOPMENT

HK110919 Beijing RENMIN RIBAO in Chinese 5 Oct 83 p 5

[Article by Sun Shangqing: "An Exploratory Discourse on Key Section Development and Balanced Development" -- boldface as published]

[Text] The Dialectical Relationships Between Key Section Development and Balanced Development

To implement the strategic goal of economic development, we must correctly understand and handle the relationship between key section development and balanced development of our national economy. We know that our national economy is an organic whole; therefore we must maintain, in a planned manner, a macroeconomic balance between the development of all the sectors and trades of the society to enable them to coordinate and promote one another and increase their economic results, and to lay a sound foundation for continuous development of our national economy. In the normal process of our national economy's development the proportional relationships cannot always remain unchanged. For science and technology constantly make progress and every section and trade has its own characteristics, some weak links will inevitably emerge in the process of development and some sections that are overdeveloped for the objective demand may also emerge. To rationalize the proportional relationship under these circumstances, it is imperative to handle satisfactorily the relationships between key section development and balanced development.

Our selection of key sections to develop must only be carried out in accordance with the objective demands of our economic development and key sections can only be developed on the basis of maintaining an overall balance. Instead of negating the development of key sections, a balanced development precisely demands that in certain periods, efforts must be focused on developing certain key sections. Only by satisfactorily developing key sections can we maintain an overall balance in the continuous development of our economy. It is not correct to set the two in opposition to each other, to regard paying attention to key section development as negating a balanced development, or to advocate that key section development cannot be stressed if we want a balanced development.

Nor is the viewpoint laying stressing key section development will inevitably lead to the malpractice of pursuing excessive speed disregarding proportional relationship, scientifically based.

The law governing the development of productive force is independent of people's will. In developing our productive force, maintaining a balance between various sections is a kind of objective demand. Running counter to this demand will be punished. In this respect, we have drawn on a profound lesson from our past practice. Therefore, we should satisfactorily select key sections to develop for a certain period in the light of our country's concrete condition and in accordance with the law governing the development of productive force. This is a superior technique in the work of economic leadership and economic planning.

Our economy constantly develops and changes; therefore if we want to achieve a balance through maintaining a certain fixed and stereotyped proportional relationship, the objective result will be breaking the balance. We should select, with foresight in the light of our country's concrete situation and in accordance with the requirements of economic law and the trend of scientific development, the key section to develop in different periods to resolve new contradictions which will inevitably arise in a balanced development. Only by so doing can we enable our national economy to continuously rise to a new high. In the past, what we did wrong in this field arose chiefly from the conclusion derived from the general philosophical principle regarding imbalance as absolute. This conclusion held that the development of our national economy was permanently unbalanced, and therefore a gap in our plans was allowable. We must firmly keep this lesson in mind. However, this has nothing to do with the key section development we are now talking about. At present, the development of the state's key sections is not only the urgent demand of overcoming the weak links in our economy, but also the demand of rapidly changing the unbalanced situation which has emerged in our development, and of maintaining a balanced development of our national economy so as to achieve greater economic results.

The Scientific Basis of Key Section Development

Now, I am going to expound on the scientific grounds for key section development from several angles.

1. THE RELATIONSHIP BETWEEN THE DEVELOPMENT OF THE TWO MAJOR SECTORS OF SOCIAL PRODUCTION REQUIRES THAT IN CERTAIN PERIOD, PRIORITY SHOULD BE GIVEN TO THE DEVELOPMENT OF SOME SECTIONS AND PRODUCTS. In the past few years, in their discussion on problems related to giving priority to increasing the production of means of production, many comrades in our theoretical circle have held that in expanded reproduction realized under conditions of technical progress characterized by using the machine to replace manual labor, the trend of giving priority to developing means of production indeed exists. In the past we understood this trend in a one-sided manner in the following two ways. 1) We held that giving priority to increasing the production of means of production was simply summarized as giving priority to developing our heavy industries, and giving priority to developing heavy industries was also simply summarized as regarding steel as the key link; and 2) we held that the trend of giving priority to increasing the production of means of production was simply summarized as giving absolute priority to it in any period and in any particular year.

The practice of this misunderstanding resulted in bringing great harm to our economic life. Consequently, people began to doubt whether there was really a law concerning giving priority to increasing the production of means of production.

As a matter of fact, in their expositions, Marx and Lenin regarded giving priority to increasing the production of means of production as a kind of trend under the condition of the expanded reproduction of society. They did not say anything to the effect that this trend could be summarized as giving priority to steel and iron industry, nor that priority should be given to increasing the production of means of production each and every year. What they emphasized was precisely the contrary -- that a relationship between the major sectors, of each adapting the other, should be maintained under the condition of expanded reproduction. Still less did Marx clearly and definitely put forth the law of giving priority to increasing the production of means of production. It was in a later period, when Lenin introduced the factor of technical progress into the formula of expanded reproduction, that Lenin clearly and definitely put forth the law of giving priority to increasing the production of means of production. Therefore, we should neither understand giving priority to increasing the production of means of production in a one-sided manner nor deny the existence of the trend of giving priority to increasing means of production under the conditions of expanded reproduction characterized by technical progress on the ground of our previous errors in understanding this trend one-sidedly and regarding it as absolute. This trend shows that in the process of the balanced development of two major sectors and of their adapting to each other, priority must be given to the development of some sections. Therefore, as long as the development of key sections meets the objective requirements of the development of two sectors, it is entirely necessary.

2. IN ADAPTING ADVANCED TECHNOLOGY, DIFFERENT DEGREES OF PRIORITY, FOCUS, AND URGENCY SHOULD ALWAYS BE ATTACHED TO DIFFERENT SECTIONS. It takes time to popularize any kind of advanced technology throughout society. It is impossible to have it immediately adopted by simply issuing a single order. The nearly 400,000 industrial and communications enterprises in our country are all faced to a different extent with the tasks of technical transformation. This requires us to distinguish the urgent ones from the less urgent ones to grasp key sections satisfactorily in a planned way, and thus bring along the developing key sections is also a kind of demand resulting from the objective course of development of the economy and technology itself.

3. IN THE COURSE OF DEVELOPING OUR NATIONAL ECONOMY, SOME WEAK LINKS WILL OFTEN EMERGE IN THE VARIOUS SECTIONS OF SOCIAL PRODUCTION. The emergence of these weak links may sometimes be caused by our errors in formulating our policies and may be the result of our economy's own development. In the process of the development of economy, as a kind of extremely complicated process of development of objective events, some situations we cannot forecast will emerge. When these kinds of weak links have emerged and when they have already seriously blocked, or will soon block, the way of our economy's balanced development, we should regard them as key sections and adopt an effective measure to enable them to become stronger rapidly to facilitate striking an overall balance of our national economy. Otherwise, our national economy will be held back by these weak links and the balanced development of the whole economy will be impossible. For example, the abrupt emergence at present in our country of the two outstanding weak links of energy and communications has been caused not only by the long-term accumulated results of errors in our policies and investment structure but also by the emergence of complicated conditions which we could not have foreseen. Science and education are also weak links, which are caused by our long-term excessive stress on material production and neglect of the development of intellectual resources. These weak links must be regarded as key sections and be firmly grasped.

4. THE PROCESS AND EXPERIENCES OF THE DEVELOPMENT OF ALL THE COUNTRIES IN THE WORLD HAVE PROVED THAT IN A CERTAIN PERIOD OF ECONOMIC DEVELOPMENT IN ANY COUNTRY THERE ARE OBJECTIVELY EXISTING SECTIONS OR TECHNOLOGY THAT CAN BRING ALONG THE DEVELOPMENT OF THE WHOLE ECONOMY. WE MUST TREAT THESE SECTIONS OR TECHNOLOGY AS THE KEY FACTOR TO BE DEVELOPED AND EXPLOITED. ONLY BY SO DOING CAN WE BRING ALONG THE WHOLE NATIONAL ECONOMY TO DEVELOP SMOOTHLY. This can also be regarded as a law, namely, in the course

of economic development there may be a leading section of undertaking or technology that facilitates the transit to a higher level. This is true whether in a socialist or a capitalist country, because it is a question related to the law governing the relations of production. For example, for a long time before World War II the United States, in developing its economy, focused on developing the iron and steel, construction, and automobile industries. After the war the focus was gradually shifted onto large electronic computer industry, aircraft industry, space technology and the section of industry that produced large petrochemical equipment. Development of these sections brought along further advance in the United States' economic development. During the mid-1950's after the war, Japan's economy was of a similar degree of development to that of our country. Though the technological level of the whole society was a little higher than ours, the disparity was small. From the mid-1950's on, Japan began to focus on developing iron and steel and chemical industries. As its economy developed it began to focus on developing the household electric appliance industry and later on, the automobile industry. Now it is focusing on developing the robot industry. This shows that in developing economy, a capitalist country also has a key section and uses that key section to bring along the development of the whole economy. Though a capitalist country depends on private investment, the government can play a certain guidance role and it can particularly use legislative and financial means to support the development of the selected key section. Our country, being a socialist country, practices planned economy; therefore, we have superior conditions for doing this work satisfactorily.

5. THE AIM OF ACHIEVING A RATIONAL LAYOUT OF OUR PRODUCTIVE FORCE, A RATIONAL DIVISION OF OUR ECONOMIC ZONES, AND A GRADUAL REDUCTION OF THE DISPARITY BETWEEN URBAN AND RURAL AREAS AND THE INTERESTS OF THE LONG-TERM DEVELOPMENT OF OUR COUNTRY'S SOCIETY ALSO DEMAND THAT WE SYSTEMATICALLY DEVELOP KEY SECTIONS. As far back as when they wrote the "Communist Manifesto," Marx and Engels announced that in the future the disparity between urban and rural areas had to be eliminated. When we struggle for the realization of our immediate program, we must never forget this maximum program. In current actual economic life, the rational layout of our industry is linked, from a long-term point of view, with reduction of the disparity between urban and rural areas. Why is it very difficult to move a factory away from an area crowded with industrial enterprises? Why it is very difficult to set up a factory in a rational location? And why is it very difficult to stabilize and develop the factory's production, even if we succeed in setting it up there? There may be many reasons, but the chief one is that we have not carried out the construction of the foundation facilities and public utility facilities. How can we establish facilities and public utility facilities. How can we establish a factory in an area without water, electricity and gas supply, and road facilities? Even if we have established the factory it will be difficult for us to carry out production or to raise economic effects. On the other hand, in an area crowded with industrial enterprises, there are relatively complete and convenient foundation and public utility facilities. The disparity between urban and rural areas is not only a problem related to the rational layout of industry, but also a problem related to the disparity in material and cultural life. However, the latter is also closely related to the construction of the foundation and public utility facilities. Of course, at the present level of our country's economic development it is obviously impractical to pursue excessive speed in developing foundation and public utility facilities. However, we should develop these facilities by focusing on key areas in accordance with the requirements of the present situation. Otherwise, it will be detrimental to our economic development.

To sum up, in all stages and periods of the economic development of any country, some key sections necessarily exist.

These key sections may be the weak links that have emerged in the process of economic development. They can also be the sections of undertaking or technology that can bring along development of the whole economy. Key sections will vary as the economy develops and will not remain fixed. This being the case, key sections, first of all, exist in the general process of the national economy's development. In locating key sections the only way, as was pointed out by Comrade Chen Yun, is to let central authorities select them in accordance with the long-term interests of the whole situation and through striking an overall balance. It will be very difficult to select key sections of the whole national economy from the viewpoint of a single department, area or enterprise. If we do not perceive the problem from the plane of the strategic viewpoints of social economic development, we will at most see only key sections for our own department and will not be able to clearly define key sections of the whole situation. Therefore, to satisfactorily develop key sections, we must firmly fix in our minds the idea of "coordinating all the activities of the nation like pieces in a chess game." When key sections are clearly selected, we must appropriately concentrate the strength of the whole nation and let central authorities plan and develop these sections. Generally speaking, key construction projects need large amounts of investment and take a long time to establish and many key projects such as the construction of railways, highways, power stations and other foundation facilities usually generate little income. Obviously, it is impossible for some localities, departments, or enterprises to develop these projects.

Rationally Control Several Basic Relations of Proportion

At present, guaranteeing key project construction has already become a prominent issue in our country's economic life. Since the 3d Plenary Session of the 11th CPC Central Committee, along with implementation of the principle of readjusting, restructuring, consolidating and improving, our country has made great achievements in its economic construction. Everybody can see this fact. However, we must also see that a problem of dispersion of funds has cropped up under this fine economic situation.

During the past few years, to overcome evils which have arisen from excessive centralism and rigidity in our country's financial and economic management system, solve a series of long-standing urgent economic problems and relatively quickly improve our people's livelihood, we have increased the funds that localities and enterprises can independently dispose. This is entirely necessary. However, because we have gone too far in formulating some of our measures and because there are some loopholes in our financial management, some localities, departments, and enterprises have developed capital construction without authorization, conducted price hikes at will and paid excessive bonuses. This has brought about a dispersion of funds. If we fail to correctly solve this problem, it will be difficult to develop, in accordance with the formulated plan, the key sections definitely selected by the 12th CPC Congress.

From 1978 to 1982, the total increase in our national income amounted to more than 120 billion yuan. During this period the income of our peasants, staff and workers and enterprises all rose sharply. However, the financial revenue of the states did not rise correspondingly. On the contrary it dropped. During this period, the percentage of the state's financial revenue in the national income dropped year by year. At the same time extra-budgetary funds rose sharply from 37.1 billion yuan in 1978 to 65 billion yuan in 1982, an increase of 75.2 percent in 4 years. The state's payment for the price subsidies of agriculture and other products rose to 32 billion yuan, an amount more than 30 percent of the state's budgeted revenue. This was a burden too heavy for the state's financial resources.

The serious dispersion of funds made it impossible to guarantee funds for the needs of the state's key project construction. During those years, investment in capital construction of the weakest links such as energy, communications, and transportation was reduced year by year instead of increased. On the other hand our departments, localities and enterprises used the funds in their hands to develop capital construction on a large scale and blindly develop processing industry and many other non-production projects of construction. As a result, the total scale of our capital construction grew out of control and in an excessive manner. Moreover, the excessive growth in the general processing industry seriously aggravated the existing shortage of the supply of energy and certain raw materials. At the same time, a phenomenon of consumption funds growing out of control emerged. If we fail to solve these problems promptly, we will not be able to complete the more than 800 large and medium-sized projects that had been planned to be continuously or newly constructed during the Sixth 5-Year Plan or to develop a number of additional major projects planned to be developed in the Seventh 5-Year Plan period. As a result, we will not be able to lay a foundation in the former 10 years for the prosperous economic development in the latter 10 years. Therefore, we must adopt effective measures to appropriately increase the financial and material resources in the hands of the state and -- through striking an all-round balance -- develop our key project construction in a planned manner.

The most important things for us to do to appropriately concentrate funds on key project production are to raise our labor productivity, increase our economic results, and improve the quality of our enterprises. This is a fundamental way to increase the state's financial revenue. At the same time, in the light of the present situation, we must macroeconomically and rationally control the following basic proportional relations:

1. WE MUST MAINTAIN A STEADY ACCUMULATION RATIO. While developing production, we must, on the one hand, guarantee the continuous improvement of our people's livelihood and on the other hand, guarantee the smooth progress of the expanded reproduction. For a very long time in the past, our accumulation ratio was too high and this was detrimental to the improvement of our people's livelihood. During the past few years our country's accumulation ratio has already dropped from an average of 33 percent before 1981 to 29 percent now. It seems to us that because our country's productive force is still relatively underdeveloped, under the situation whereby there is no great increase in our national income, for a certain period in the future it will be inappropriate for us to further reduce this ratio. Judging by the rate of increase in our national income, the forecast of the effect of our accumulation, and the comparison between several schemes to six accumulation ratios, for a certain period in the future we should maintain the current accumulation ratio.

2. WE SHOULD APPROPRIATELY RAISE THE PROPORTION OF THE STATE'S FINANCIAL REVENUE IN OUR NATIONAL INCOME. The previous practice of over-concentration of revenue was detrimental to giving play to the initiative of the localities and enterprises. If we do not solve this problem we will not be able to satisfactorily develop our economy. However, in the process of solving this problem, the problem of a decrease in the state's financial revenue has cropped up. In the 4 years from 1979 to 1982, the gross national product rose by 33.6 percent and the national income rose by 27.7 percent, but the state's financial revenue fell by 3.3 percent. This gave rise to a critical contradiction, namely, the contradiction between the continuous growth of the expenditure commitment of the state finance owing to the development of construction and the drop in the state's financial income. Obviously, this was a very abnormal situation that we could never allow to remain unchanged.

We must guarantee the needs for funds in our key project construction as well as give play to the initiative of the localities and enterprise. Therefore, we should appropriately increase the proportion of the state's financial revenue in our national income. It seems to us that it is necessary and possible to add 3 to 4 percent to the current figure of 25.5 percent.

3. WE SHOULD APPROPRIATELY RAISE THE PROPORTION OF CAPITAL CONSTRUCTION FOR KEY INVESTMENT FUNDS IN OUR FINANCIAL EXPENDITURE.

In the past few years we had vigorously cut down our capital construction investment. This was an act that played a vital role in our economic readjustment and is, therefore, entirely necessary. To guarantee the demands of key section development in view of the experiences we have summed up, we may consider that the proportion of capital construction investment in our financial expenditures will be raised to 2 to 3 percent higher than the current figure of 26.8 percent. As long as we control the scale of capital construction of the whole country, stop all blind and duplicate construction, and properly readjust the proportional relationship between production construction projects and nonproduction ones, we will be able to solve the current series of problems caused by our failure to control the scale of capital construction. Of course our key construction projects require large amounts of investment, take a long time to complete, and require the coordination of many sections. While concentrating financial and material resources for key section development, the state should act in the light of its resources and maintain a proper scale to match the scale with its resources. On the basis of scientifically summing up our previous experiences and under the conditions whereby our economic development has already embarked on a correct route, generally speaking, the past malpractice of paying attention only to key sections and neglecting all other sections will no longer occur. From now on, we will do our best to avoid excessive waste in key section development. At the same time, we should strictly select projects of key section development and fully carry out feasibility studies, make satisfactory preparations beforehand, and strictly carry out scientific management.

Concentrating funds on satisfactorily developing key sections is where the fundamental and long-term interests of the state, collective, and individual lie. It is dialectically unified with giving play to the initiative of localities, departments and enterprises. Developing key sections is also dialectically unified with balanced development. To really unify key section development and balanced development in our practice, we must resolutely implement the guiding principles of "controlling major things with planning and giving freedom for minor things," and "exercising centralization for major things and decentralization for minor things." In the past we relied on this principle to solve important problems that emerged in the process of our economic development. We should also rely on this principle now and in the future to solve major problems that will emerge in the process of our economic development. As long as we act in accordance with this guiding principle which has been decided by the central authorities, we will certainly be able to smoothly fulfill the task of concentrating our funds to guarantee key section development.

HONGQI CARRIES EDITORIAL ON TRADE UNION WORK

OW161626 Beijing XINHUA in English 1434 GMT 16 Oct 83

[Text] Beijing, October 16 (XINHUA) -- Helping workers to become qualified for China's modernization is the major task of Chinese trade unions, says the RED FLAG [HONGQI] journal in an editorial in its latest issue which began circulation today.

In the new period of socialist modernization, it says, the Communist Party "counts on trade unions for educating the working masses in Marxism-Leninism and Mao Zedong Thought, disseminating among them patriotic and communist ideas and helping them master science and technology."

The editorial, entitled "give full scope to the important role of trade unions in the new period," addresses itself to China's tenth national trade union congress scheduled to open here October 18.

Trade unions should work to "build up a contingent of workers who have lofty aspirations, high moral and intellectual standards, a strong sense of discipline and qualifications for the modernization program."

RED FLAG -- the theoretical organ of the Chinese Communist Party Central Committee -- stresses the need to improve the quality of Chinese workers, saying that this is the key to the improvement of China's economic performance.

Workers of improved quality, the journal says, will show a higher sense of responsibility in economic reforms and democratic management of enterprises and work still harder to increase output and achieve economy through technical transformation to tap production potential. "This is not only an important guarantee for the overall improvement of enterprises and the country's economic performance, but also constitutes an important condition for developing socialist culture and moral standards."

Another major task for the trade unions, the journal says, is to involve workers in supervising the work of the leading organs of the party, government and economic departments and of public servants at all levels. "This supervision is a democratic right of the workers and trade unions. Leading organs and functionaries of the party and government have the obligation to accept such supervision," the editorial says.

The journal urges party committees at all levels to take a positive approach towards this democratic right of the workers and their unions. "An important part of party leadership is to guide the workers and other laboring people to manage their own affairs," it says. Trade unions are mass organizations embracing all workers -- the advanced, the middle and those lagging behind. The trade unions must not be made representatives of the advanced elements only as happened under the ultra-left policies. The editorial emphasizes: "In many aspects of social and state life, the trade unions should voice their own opinions and take their own positions and approaches."

The party committee should exercise leadership over the trade union organization by setting the general guidelines and tasks for union work, RED FLAG says. "But, once the guidelines and tasks are set," it says, "the party committee should let the trade union do its own work, and the union need not seek approval from the party committee on everything."

On the other hand, the editorial adds, the trade unions must pay attention to the opinions and demands of the majority of the workers. The trade unions "must speak and work for the workers and effectively protect their fundamental as well as their immediate interests," the editorial says.

Factory leaders must discuss with union organizations matters concerning the workers' interests, and major decisions must be made through discussions at congresses of workers' representatives, it says.

OVER 40 MILLION WOMEN ON GOVERNMENT PAYROLL

OW141126 Beijing XINHUA in English 1111 GMT 14 Oct 83

[Text] Beijing, October 14 (XINHUA) -- One out of three people on the Chinese Government payroll is a woman, a spokesman for the All-China Federation of Trade Unions said today. At the end of 1982, 40.93 million women were employed by factories, mines, schools, hospitals, scientific research institutes, and other government undertakings, accounting for about 36 percent of the national total. The figure for employment of women in the early post-liberation period was 600,000, 7.5 percent.

Women now account for 80 percent of the employees in the textile and garment industries and financial and commercial units. The figure is 30 percent for the machine-building and petro-chemical industries and agricultural, water conservancy, banking, cultural, educational and scientific research institutions.

More than one million women are in capital construction jobs, compared to about 1,000 in the early 1950's. The number of women railway workers has increased from 9,000 to about 600,000 in the past three decades. "Women are now an indispensable force in China's effort to modernize," the spokesman emphasized.

In 1978, more than 1.67 million scientific and technical workers were women. The figure increased to 1.93 million in 1982, the spokesman said. Nearly 6,600 women now hold senior academic titles, professor and associate professor, in natural science institutions, compared to 1,400 in 1982. The spokesman continued nearly one-third of the 10.84 million Chinese workers commended by factories and mines in 1982 as outstanding workers were women.

"Our policy is to encourage women to play a still bigger part in enterprise management," the spokesman said, "by increasing the number of women delegates in workers' congresses in factories and mines." He cited the example of a textile mill in Anqing City, Anhui Province, where women account for 64 percent of the mill's workforce but 71 percent of the delegates of the workers' congress.

Meanwhile, he said, China is paying more attention to protecting women's health. There are 18,000 hygiene rooms for women in industrial enterprises and such rooms are found in almost all factories and mines of fair size. More than 7,000 women railway maintenance workers have been transferred to lighter jobs, the spokesman said. Women in industrial enterprises are given longer breaks or transferred to more suitable jobs during menstruation and pregnancy. "This principle also applies for nursing mothers," he said. "In many factories and mines, gynaecological examinations are conducted regularly," he said.

WORKERS STEP UP TECHNICAL COOPERATION

OW151222 Beijing XINHUA in English 1108 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- Several million workers are involved in a nationwide technical cooperation drive to solve problems and help enterprises improve economic results, according to the All-China Federation of Trade Unions (ACFTU).

There are now nearly 20,000 technical cooperation organizations across the country, with about one million activists taking part, an ACFTU spokesman said. "They carry out these activities in their spare time and holidays and are not concerned about pay," the spokesman said.

He said that technical cooperation organizations help retool small and medium-sized enterprises to save energy, reduce consumption of raw materials and improve product quality. He said that these organizations in 1982 helped solve more than 7,600 technical problems throughout China and popularized about 5,500 items of new technology.

Technical cooperation activities were initiated by workers in Shenyang, capital of Liaoning Province, in the early 1960's, the spokesman recalled. Groups of model workers, advanced workers and innovators in their spare time helped factories solve technical problems, popularize advanced technology and produce equipment needed by the state. "Such activities showing the selflessness of the working class were then spread to other industrial cities," he said.

The Chinese Workers' Technical Cooperation Committee was set up in December 1982 to coordinate the work of local organizations, he said. ACFTU Vice-President Wang Chonglun was elected chairman of the committee. He was a national pace-setter in workers' technical innovations campaign in the early 1950's.

The Shenyang technical cooperation organization planned to help 13 medium-sized and small enterprises with 18 technical upgrading projects this year.

A motor vehicle technical exchange team in Shanghai has provided gasoline-conservation technology and equipment for 3,000 motor vehicles, saving 1.8 million liters of gasoline a year.

The Beijing technical exchange station helped save 110 million kilowatt-hours of electricity, 45.8 percent of the total saved in the city, by popularizing infrared heating technology and an aluminium silicate refractory fiber material.

Technical cooperation organizations at all levels also help improve workers' technical level by holding technical demonstrations, contests, lectures and training courses. More than 900,000 workers attended 4,500 technical demonstrations, 8,000 lectures and 5,600 training courses in 1982.

More than 100 technical cooperation activists in Beijing have been promoted to workshop heads. Several hundred more have become engineers or technicians.

NATION'S YOUTH GIVEN MORE JOB OPPORTUNITIES

OW151114 Beijing XINHUA in English 1100 GMT 15 Oct 83

[Text] Beijing, October 15 (XINHUA) -- Rapidly growing collective enterprises last year provided jobs for 2,375,000 urban people, or one half of the new labor force, according to the State Administrative Bureau for Industry and Commerce.

The dependency ratio in the whole country has dropped from one to 2.06 in 1977 to one to 1.73 last year (including the worker himself). Instead of putting more and more people on the government payroll, labor departments at various levels and enterprises are organizing labor service companies.

There are now 17,000 such companies and more than 100,000 collectively-owned factories and service establishments across the country, offering jobs as well as training for young people.

The Tianjin Youth Industrial and Commercial Corporation, sponsored by the local Communist Youth League committee, women's federation and labor bureau, has given jobs to 3,000 young people. The corporation, which operates 81 factories and units in industry, processing, construction, transport, catering and foreign trade, has netted a profit of four million yuan and opened 40 training courses since it was established two years ago. The highest monthly wage was 175 yuan, 50 yuan more than that of a county magistrate.

Another example is the Labor Service Company set up by Zhejiang University in December 1981. It began by finding employment for the children of the staff in seven collectively-run factories. One of these was a factory producing testing equipment. Under the guidance of the teachers, 14 young people produced 350 testing instruments in the first six months. The products sold well and now 40 colleges and institutes have placed orders, amounting to 100,000 yuan.

Efforts are also being made by the government to encourage young people to become self-employed. They constituted 5.5 percent of the newly employed urban people in 1982, and one-third of China's 1.47 million self-employed are young people. Self-employed people enjoy the same treatment in commodity and raw material supply as state enterprises. They can obtain bank loans and insurance. State tax on these small businesses is minimal. But these individuals still prefer to get organized and they have formed associations. By the end of June this year, nearly 800 counties and cities had set up associations for self-employed persons.

In August, over 600 outstanding young people were commended at a national conference of collective and individual enterprises. Hu Yaobang, general-secretary of the Central Committee of the Chinese Communist Party, said that all people who work hard and make contributions to the state, whether they work in state-owned or collectively run enterprises or are self-employed are persons to be respected.

DENG YINGCHAO GREETES CAO JINGHUA'S ANNIVERSARY

OW140957 Beijing XINHUA Domestic Service in Chinese 1310 GMT 13 Oct 83

[By reporter Zhang Baorui]

[Excerpts] Beijing, 13 Oct (XINHUA) -- More than 100 faculty members and students of Beijing University gathered at the Linhexuan Building this morning to congratulate Professor Cao Jinghua, China's noted foreign literature translator and essayist and director of the Russian Language Department of Beijing University, on the 60th anniversary of his cultural and education career. Comrades Deng Yingchao, Yang Shangkun and Zhou Yang separately sent letters of greeting to him. Deng Yingchao also had someone send a basket of flowers to him.

Li Bozhao, Wei Wei, Feng Zhi, Wang Li, Zhu Guangqian and Ge Baoquan went to the meeting to extend their greetings.

ANHUI CPC SUPPORTS CENTRAL RECTIFICATION DECISION

OW161129 Hefei Anhui Provincial Service in Mandarin 1100 GMT 13 Oct 83

[Text] The Standing Committee of the Anhui Provincial CPC Committee held a meeting this morning to conscientiously study the communique of the 2d Plenary Session of the 12th CPC Central Committee and its decision on party consolidation. The meeting was presided over by Wang Yuzhao, deputy secretary of the provincial CPC Committee.

The participants at the meeting seriously studied and discussed the documents after carefully reading them. They unanimously expressed their support for the Central Committee's decision on party consolidation. They said: The decision is a programmatic document to guide party consolidation and is a major strategic policy decision and fundamental guarantee for further carrying out the guidelines of the 12th national party congress, strengthening party building, and successfully building material and spiritual civilizations. We will conscientiously study and resolutely implement the two documents to successfully carry out the task of consolidating the party.

The meeting held that the Central Committee's decision on party consolidation was made in light of the actual conditions in our party. While affirming our party as a long-tested great Marxist party and that the majority of our party organizations and party members are good or comparatively good, the decision pointed out the urgent need to carry out party consolidation. It particularly specified the basic principles, tasks, policies, and methods for party consolidation. Party consolidation will be successful provided we resolutely and creatively implement the decision.

Participants at the meeting were confident of fulfilling the task of consolidating the party, bringing about a fundamental turn for the better in party style, and advancing the building of material and spiritual civilizations.

After a careful study, the meeting also drew up a circular on conscientiously studying the Central Committee's decision on party consolidation.

ANHUI CPC ISSUES CIRCULAR ON PARTY RECTIFICATION

OW161313 Hefei Anhui Provincial Service in Mandarin 1100 GMT 13 Oct 83

[Text] The Anhui Provincial CPC Committee today issued a circular on conscientiously studying the Central Committee's decision on party consolidation.

The circular said: The CPC Central Committee's decision on party consolidation unanimously adopted by the 2d Plenary Session of the 12th CPC Central Committee embodies the guidelines of the 12th national party congress. Clearly specifying the basic principle, task, policy, and method for carrying out party consolidation, the decision is a programmatic document guiding this work, and is a powerful weapon for strengthening party building in the new period. All party members must respond to the call of the second plenary session, conscientiously study the documents, and actively participate in party consolidation.

The circular consisted of four requirements on studying and publicizing the decision:

1. Party organizations at all levels throughout the province must immediately organize party members to study the decision. They should understand it thoroughly. Party cadres, especially leading cadres who are also party members, should take the lead in studying the decision and in extensively publicizing it. In order to be fully prepared mentally for comprehensive party consolidation, they should also study the "Selected Works of Deng Xiaoping," "Party Members Must Read," a book of important party documents adopted since the 3d Plenary Session of the 11th CPC Central Committee, and Comrade Mao Zedong's book on party style and party organization.

2. Carrying out comprehensive party consolidation is a major step the party must take in order to win new great victories in the new historical period. It will ensure the realization of the grand target set by the 12th national party congress of quadrupling China's gross annual industrial and agricultural output value by the end of this century while continually raising economic results, and is a basic guarantee in building China into a highly democratic, highly civilized modern socialist country.

Party organizations at all levels and party members should understand the urgent need to consolidate the party after studying the decision, and should grasp the basic principle, task, policy, and method for party consolidation. They must make up their mind to carry out party consolidation resolutely and earnestly so as to successfully fulfill the great task of consolidating the party. Under no circumstances should they undertake this task for the sake of formality.

3. Party consolidation to be undertaken this time will be conducted in groups and by stages from top to bottom. The first group to undergo party consolidation will be provincial-level organizations including departments, commissions, sections, and bureaus. These organizations should first study the decision on party consolidation and then work out a plan for party consolidation and train key personnel for party consolidation. At the same time, they should actively carry out organizational reform to facilitate party consolidation. Other party organizations should, by studying the party Central Committee's decision and the document on party consolidation, improve party organizational life, correct party style, and strengthen party building. Party members, and cadres that are party members, who have committed various mistakes should be educated and helped to take the initiative in correcting their mistakes. Solving these problems should not be put off until party consolidation is being undertaken in these organizations.

4. Studying the documents on party consolidation should be carried out in various fields of work. Efforts should be made to strengthen ideological work, to overcome slackness and weakness in the leadership on this front, and to solve the problem of mental pollution. Efforts should also be made to do economic work well, to promote enterprise consolidation, to raise economic results, to convert deficits into profits as quickly as possible, to increase industrial and agricultural production and revenues, to improve commodity circulation, to do a good job in helping disaster-stricken areas, and to fulfill or overfulfill annual production and construction tasks.

JIANGXI CPC HAILS CENTRAL RECTIFICATION DECISION

OW170626 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 13 Oct 83

[Text] Members of the Standing Committee of the Jiangxi Provincial CPC Committee this morning studies the communique of the 2d Plenary Session of the 12th CPC Central Committee and its decision on party rectification. Comrades attending the Standing Committee meeting unanimously held that the decision was correct and expressed unreserved support for it. They said that they will conscientiously study the documents, actively participate in party rectification, lead party members in resolutely and creatively carrying out the decision, successfully fulfill the task of rectifying the party but never do so perfunctorily.

After listening to radio broadcasts and watching television news last night and after exchanging opinions at a discussion meeting this morning, members of the Standing Committee came to realize that the Central Committee's decision on party rectification fully embodies the guidelines of the 12th national party congress, clearly defines the basic principle, task, policy and method for party rectification, and that party rectification will be successful if efforts are made to implement the decision. They also believed that party rectification will bring about a fundamental turn for the better in party style, thereby advancing the building of socialist material and spiritual civilizations in China.

The Standing Committee of the provincial CPC Committee held that the most important thing to do now is to organize party members to study seriously the communique of the 2d Plenary Session of the 12th CPC Central Committee and its decision on party rectification in conjunction with the study of the "Selected Works of Deng Xiaoping," to raise their political consciousness and to improve party organizational life. Through studying these documents party members should be made to understand the urgent need to rectify the party and the immediate and far-reaching significance of this rectification, to grasp the four tasks and five criteria in party rectification, and to achieve the objective and meet the requirements. These requirements are: Under the guidance of Marxism-Leninism-Mao Zedong Thought, party discipline should be maintained by relying on the revolutionary consciousness of all party members and by using the means of criticism and self-criticism to expose and solve the problems of serious impurity in ideology, work style, and organization in the party, to improve party style, to raise the party's ideological level and work efficiency, to forge close ties between party and the masses, and to build the party into a strong nucleus for leading socialist modernization.

The provincial CPC Committee Standing Committee called on party members, especially party member cadres, to set an example in the course of learning professional work and carrying out party rectification. Through serious study, they should raise their ideological consciousness, work hard, make progress politically, ideologically, and in mental outlook, and play a model role in practical work. Party members and party member cadres who have made mistakes should take the initiative in correcting their mistakes. Solution of these problems should not be put off until party rectification begins in their units.

The Standing Committee of the provincial CPC Committee stressed in conclusion that party rectification and study should be linked to various fields of work, especially economic work. Party organizations and party members should do well in work for which they are responsible, strive to fulfill production and economic tasks, and usher in party rectification with actual deeds.

JIANGXI PLA SUPPORTS PARTY RECTIFICATION

OW170224 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 13 Oct 83

[Text] According to a report by this station's correspondent (Lin Shuishe), yesterday evening Standing Committee members of the CPC Committee of the provincial Military District learned through TV and radio broadcasts of the communique of the 2d Plenary Session of the 12th CPC Central Committee and of its decision on party rectification. They held a forum to discuss the communique and decision and unanimously expressed support for these two documents. They pledged to earnestly study these documents and take an active part in the rectification of the party so as to contribute to bringing about a fundamental turn for the better in our party style.

All comrades participating in the forum said that the decision of the CPC Central Committee to carry out overall rectification of the party is absolutely correct and is of far-reaching significance. Commander (Wang Baotian) said: Overall party rectification is a strategic policy decision aimed at strengthening the building of our party. It reflects a desire of the broad masses of party members and the people. Ours is a long-tested Marxist-Leninist political party. Especially since the 3d Plenary Session of the 11th CPC Central Committee our party has gained fighting power as a result of the efforts to eliminate chaos and restore order. In our Military District the overwhelming majority of party organizations and party members are good. However, a state of impurity in ideology, style, and organization does exist among some party organizations and party members. This state of affairs must be rectified.

(Chen Yin), deputy secretary of the provincial Military District's Discipline Inspection Commission, said: In improving the ideology, work style, and organization of our party, a fundamental turn for the better in the style of work is of crucial importance. By seeking truth from facts, the CPC Central Committee has analyzed the present state of our party and firmly determined to arrange for overall party rectification. This will no doubt bring about a fundamental turn for the better in our party style.

Chief of Staff (Liu Dekui), Director of the Political Department (Tan Bingxue), and Director of the Logistics Department (Cheng Yifei) made a review of the history of our party. They said: The 1942 Yanan rectification movement unified the thinking of the whole party and laid a foundation for the victory of the new democratic revolution. The work of party rectification to begin in the winter of this year will also certainly raise the Marxist-Leninist level of the whole party and make our party more united and give it even greater fighting power. Our party will thus be able to lead the people across the country to win still greater victories in building material and spiritual civilization.

In studying and discussing the decision on party rectification the comrades said that the decision gives them more confidence in the success of the work of party rectification. Political Commissar (Wang Guande) and Deputy Commander (Shen Zhongxiang) said: Since the 12th CPC National Congress our party has done preparatory work for party rectification and gained some experience, both positive and negative, in this work. Now a Central Commission for Guiding Party Consolidation has been formed, composed of Comrade Hu Yaobang and other prestigious leading comrades of the party. With these favorable conditions, as long as we seriously study the decision and act accordingly, we are bound to fulfill successfully the great task of party rectification.

JIANGXI PLANS TO BUILD NUCLEAR POWER STATION

OW151420 Beijing in Mandarin to Tawian 0400 GMT 15 Oct 83

[Text] Jiangxi Province has decided to build as soon as possible a nuclear power station in a northern county along the Chang Jiang. Before the decision was made, the province invited more than 40 nuclear power experts from various parts of China to Jiangxi to do reconnaissance work at the site chosen for the nuclear power station. They all agreed that the site chosen in Jiangxi is ideal in terms of topography, surface configuration, water supply, transportation, and surrounding environment, and could be developed into a promising nuclear power base in the country.

Jiangxi has rich metallic uranium reserves which have been confirmed in prospecting and explored, and ranks first in the entire country in such reserves. The fact that Jiangxi is located between the central China and eastern China power networks shows its great importance for the overall interest in completing the three major power networks of the country by the year 2000.

In order to build the nuclear power station as quickly and successfully as possible, the Chinese Scientific and Technological Consultative Center recently signed a contract with Jiangxi on delivering a report that shows the feasibility of building the nuclear power station in Jiangxi, and, on behalf of the Jiangxi Provincial People's Government, inviting a nuclear power delegation composed of companies from the United States to visit Nanchang and other places to hold the first round of talks.

SHANDONG REAPS RECORD GRAIN HARVEST IN 1983

OW161113 Beijing XINHUA in English 0720 GMT 16 Oct 83

[Text] Jinan, October 16 (XINHUA) -- Shandong Province, one of China's major grain producers, expects to have a record grain harvest of 25 million tons this year, about six percent higher than the 1982 figure of 23.5 million tons.

It will then become the fourth province to have an annual grain output of 25 million tons. The other three are Sichuan, Jiangsu and Henan.

The previous record 24.7 million tons, was set in 1979 when 5.1 million hectares of grain were planted. In recent four years, acreage of grain crops has been reduced by more than 400,000 hectares as more land has been used to plant cotton and other industrial crops.

The provincial Agricultural Department attributed the achievements to the correct policy and scientific farming.

Yantai Prefecture, one of the major grain production centers, reported a grain increase of one million tons after the job responsibility system was introduced this year. Grain production in the prefecture showed a decline in the previous few years.

The four prefectures in northwest Shandong, which used to depend on the state for grain supply, reported a good harvest both in grain and cotton, becoming major cotton and grain production centers of the province.

NEW RAIL LINE IN ANHUI, JIANGXI COMPLETED

OW141219 Beijing XINHUA in English 1159 GMT 14 Oct 83

[Text] Hefei, October 14 (XINHUA) -- A new railway line connecting Wuhu, Anhui Province, and Guixi, Jiangxi Province, has promoted the interflow of goods and economic growth in east China areas since it was put into trial operation a year ago.

A new marshalling yard and railway station buildings are under construction along the line which will formally open to traffic by the end of this year.

The 541-kilometer line, one of the 70 state priority projects, winds its way across hills and fertile agricultural areas. It has handled 3.49 million tons of goods and 2.9 million passengers since October, 1982, thus easing the strained transportation from Nanjing to Fujian and Jiangxi. Formerly passengers and goods had to go along a circuitous route.

Tourism will also be benefited along the new line which passed the Huangshan and Jiuhua Mountain areas, both famous tourist centers, and on through the porcelain center of Jingdezhen in Jiangxi Province.

SHANDONG CITY REPORTS ON CONSCRIPTION DRIVE

HK170451 Beijing RENMIN RIBAO in Chinese 13 Oct 83 p 4

[Report by Zhuang Fuli and Sun Guangquan: "80,000 Youths in Shandong's Zaozhuang City Enter Their Names To Join the Army"]

[Text] Since the beginning of this year's conscription work, about 80,000 young people in Zaozhuang City, Shandong Province, the home town of the railroad guerrillas, have entered their names to join the army within a period of several days, accounting for more than 95 percent of young people of conscription age.

In the past Zaozhuang City and its affiliated districts and counties were fairly poor. Since the 3d Plenary Session of the 11th CPC Central Committee, rural production in this area has developed rapidly, and the people's livelihood has also improved greatly. More and more peasants have reaped more than 10,000 jin of grain and have earned more than 10,000 yuan in a year. The masses can basically dress warmly and eat their fill. In particular, with the implementation of the party's policy for giving preferential treatment to army men's families in recent years, the quantities of grain and money granted to army men's families in this city have also increased by a big margin along with the development of production.

"With the party carrying out the policy for making the people rich, the people cherish the wish to dedicate themselves to the service of the country." The masses deeply understand that the well-being of their households relies on the strength of the country and that without the PLA, which defends the country on the front, production in the rear cannot be carried out peacefully. Therefore, when the authorities mobilized the people to join the PLA, from town to countryside, everywhere presented a moving scene of fathers sending their sons and sisters encouraging their younger brothers to join the PLA. Liu Angui is a peasant in Yatou brigade, Zhoucun commune, Qicun District. Since he contracted to plant his "responsibility fields" and an apple orchard, his income has become higher with each succeeding year and he has become one of the rich peasants in his village. After the conscription drive began, he and his wife went to the headquarters of his brigade and commune to enter the name of their 19-year-old fourth son to join the PLA. Some people asked them why they are willing to allow their son to join the PLA. Liu Angui answered: "We cannot disregard the country after our household has become rich."

TYPHOON CAUSES DAMAGE IN 13 GUANGDONG COUNTIES

HK150303 Guangzhou Guangdong Provincial Service in Mandarin 2300 GMT 14 Oct 83

[Text] The No 14 typhoon of this year and the heavy and torrential rain it caused affected in varying degrees 13 counties in Zhuhai, Foshan, and Zhaoqing Cities and Prefectures. Serious damage was done to crops, telecommunications lines, houses, and water conservation facilities in places crossed by the center of the typhoon.

According to reports from Taishan County, 50 percent of the flowering late rice and 20 to 30 percent of the ripe crop were damaged, while most of the sugarcane crop was blown down or destroyed.

Some 1 million mu of flowering late rice in Zhaoqing Prefecture were blown down. Some 300,000 mu of farmland were flooded or waterlogged, and 350,000 mu of industrial crops such as sugarcane and peanuts were damaged or flooded.

During the passage of the typhoon and afterwards, the party and government leaders of these counties and cities have promptly made arrangements for resisting the disaster.

GUANGZHOU PLA UNITS STRESS PARTY RECTIFICATION

HK150313 Guangzhou Guangdong Provincial Service in Mandarin 2300 GMT 14 Oct 83

[Text] The Standing Committee of the Guangzhou PLA units CPC Committee has held a study and discussion meeting to seriously study the communique of the 2d Plenary Session of the 12th Central Committee and the Central Committee decision on party rectification. During their study, in connection with the current state of the party organizations at all levels and the thinking of the party members in the units, the comrades unanimously felt: The CPC Central Committee's decision to carry out all-round rectification of the party work style and organization for 3 years beginning in the second half of this year is extremely timely and necessary, and accords with the common aspirations of the party members and the masses. The participants expressed full support for the communique and the decision and pledged they would resolutely implement them.

The comrades stressed: The posture of the leading cadres in this party rectification is the key to the success or failure of the work, and is also a serious test for the leading cadres of the party.

The comrades declared: In this party rectification we will take the lead in correcting our thinking, truly set the example, strictly analyze ourselves, take stock of our ideological style, and strive to lead the party members in the units to fulfill the great task of party rectification.

GUANGXI PARTY MEETING STUDIES CENTRAL DECISION

HK160325 Nanning Guangxi Regional Service in Mandarin 1130 GMT 15 Oct 83

[Text] Guangxi Regional CPC Committee Standing Committee members who are in Nanning held a forum yesterday morning to seriously study and discuss, in connection with Guangxi realities, the Central Committee decision on party rectification. The meeting resolved to act in accordance with the Central Committee's arrangements, rectify all party organizations in Guangxi in 3 years, and work to achieve three fundamental turns for the better as soon as possible. Responsible comrades of the central work group took part in the study and discussion.

The participants held enthusiastic discussions in connection with the actual situation in Guangxi. They unanimously held: The Central Committee decision on party rectification adopted by the second plenary session is a major step taken by the party for winning great new victories in the new historical period. It is the fundamental guarantee for accomplishing the great goal set by the 12th party congress of quadrupling total annual industrial and agricultural value by the end of the century. In is the fundamental guarantee for building China into a modern socialist state with a high degree of civilization and democracy. This decision is a highly appropriate document which has summed up the historical experiences of the party and the new experiences of recent years. It embodies the line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committee, and advances from bringing order out of chaos in ideology to doing so in organization. By carrying out rectification in accordance with this decision we will be able to unify our thinking, rectify work style, strengthen discipline, purify the organization, and victoriously complete the task of party rectification. This requires that the party organizations and the whole body of party members plunge into party rectification with full enthusiasm and a scientific spirit, and steel themselves into strong fighting forces and qualified party members.

In this discussion the participants pointed out: Guangxi must closely integrate party rectification with handling problems left over from the Cultural Revolution, do a good job in this work, enhance ideological awareness, strengthen party spirit, eliminate factionalism, distinguish between the major rights and wrongs of the Cultural Revolution, and purge people of three categories from the leadership grounds at all levels, thus creating favorable conditions for party rectification. Moreover, study and implementation of the decision is also a powerful impetus for the work of handling problems left over from the Cultural Revolution.

We must act according to the spirit of the Central Committee's instructions, clear away all interference, made steady and firm progress, and do a thorough and sound job in handling problems left over from the Cultural Revolution. In this way we can lay a still better foundation for launching party rectification in the next stage.

The participants declared: We will take the lead in studying and appreciating the spirit of the Central Committee decision on party rectification, set the example, lead the party members throughout the region to seriously study this brilliant document, vigorously grasp the work of handling problems left over from the Cultural Revolution, actively take part in party rectification, and resolutely rectify the party organizations at all levels in Guangxi.

GUANGXI ISSUES CIRCULAR ON RECTIFICATION DECISION

HK170128 Nanning Guangxi Regional Service in Mandarin 1130 GMT 16 Oct 83

[Excerpts] The Guangxi Regional CPC Committee issued a circular on 16 October on seriously studying the CPC Central Committee decision on party rectification. The text of the decision reads as follows:

1. The decision of the Central Committee on party rectification, adopted by the 2d Plenary Session of the 12th CPC Central Committee, is an extremely important guiding document. Seriously studying and appreciating the spirit of the decision and actively taking part in party rectification are of great importance for victoriously completing the great task of party rectification, making a thorough success of handling problems left over from the Cultural Revolution in Guangxi, carrying out structural reform, and stimulating all work in socialist construction. The party organizations at all levels must, in light of the actual conditions of their units, organize the whole body of party members to seriously study the decision.

2. Studying the decision must be integrated with studying the "Selected Works of Deng Xiaoping." Through study, we should thoroughly understand the necessity and urgency of launching party rectification, and profoundly realize that this party rectification is the fundamental guarantee for accomplishing the great strategic goal advanced by the 12th party congress and for building China into a modern socialist state with a high degree of civilization and democracy. Through study we should also have a clear idea on the basic principles, tasks, policies, and methods for this party rectification, and on the favorable conditions for rectifying the party, strengthen our confidence in victoriously completing party rectification, and enhance spontaneity to actively take part in the rectification.

3. Carry forward the study style of linking theory with reality. The study must be closely linked to the current state of the party organizations and members in our region and properly solve problems in ideology and understanding. We must closely integrate study of the decision with the current work of handling problems left over from the Cultural Revolution and of structural reform in the region, strengthen party spirit, overcome factionalism, and purge the people of three categories from the leadership groups at all levels, so as to create favorable conditions for all-round party rectification. Party members and party-member cadres who have made mistakes of various kinds must enhance understanding through study, take the initiative in correcting their efforts, and not wait until their unit launches party rectification before solving their problems.

4. The party committees at all levels must strengthen organizational leadership over study. No unit should hamper production or work on account of study. It is necessary to promote the development of production and the advance of work through studying the document on party rectification.

The CYL is the party's assistant and reserve force. It is necessary to organize CYL members to seriously study the central decision and the documents on party rectification stipulated by the Central Committee, to enhance their ideological and political levels.

GUANGXI DISCIPLINE COMMITTEE DISCUSSES CRIME

HK170704 Nanning Guangxi Regional Service in Mandarin 1130 GMT 15 Oct 83

[Summary] The Discipline Inspection Committee of the regional CPC Committee held a work conference on the crackdown on serious criminal activities in the economic area and on the hearing of cases in Nanning from 6 to 10 October. The conference transmitted the spirit of the national work conference on the crackdown on serious criminal activities in the economic area and the work forum on the hearing of cases held by the Central Discipline Inspection Commission; studied and discussed important speeches and reports by the leading comrades of the CPC Central Committee and the Central Discipline Inspection Commission and other relevant documents; and linked the actual conditions of our region with the study and arrangement of work on the crackdown on serious criminal activities in the economic area and on the hearing of cases.

"During the conference, Comrades Wei Chunshu and Zhou Guangchun, deputy secretaries of the regional CPC Committee, listened to summing-up reports and made speeches. In their speeches they first affirmed the great achievements scored by our region in the struggle to crack down on serious criminal activities in the economic area in the past 10 years." But they considered that the current struggle is not balanced. They stressed that "we must seriously study the 'Selected Works of Deng Xiaoping' and the relevant spirit of the CPC Central Committee and keep our thinking on a stable basis.

"We must not only get rid of the influence of leftist thinking, but also guard against and overcome the influence of the right. We must unify thinking and actions and doggedly persist in the struggle to crack down on serious criminal activities in the economic criminals. "Those who should be arrested must be arrested. Those who should be convicted must be convicted. Those who should be given heavy sentences must be given heavy sentences. Party committees at all levels must strengthen leadership, put this task on the agenda, and make proper studies and relevant arrangements."

On the business of hearing cases, the conference pointed out that "we must do such a task well, with the emphasis on improving the party work style and tightening party discipline. At present, apart from hearing and handling cases in which party members seriously run afoul of party discipline in the economic area, we must lay emphasis on hearing and handling cases involving opposition to the party's line and general and specific policies, its resolutions and its four basic major principles, cases involving serious violation of organizational discipline, and cases involving the use of a person's authority and influence to serve private ends." We must adhere to the principle of seeking truth from facts, correctly uphold discipline, and achieve the aim of playing fair and square, providing ironclad evidence, accurately determining the nature of cases, properly handling them, and completing all necessary formalities. In investigating cases, if some people want to interfere and to protect and shield relevant criminals, we must subject them to punishment in accordance with party discipline and state laws and must never be lenient toward them.

HUBEI ISSUES CIRCULAR ON RECTIFICATION DECISION

HK160453 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 14 Oct 83

[Excerpts] The Hubei Provincial CPC Committee issued a circular yesterday demanding that the party committees at all levels immediately organize the whole body of party members to seriously study the Central Committee decision on party rectification. The circular makes the following demands:

1. Party committees at all levels must immediately organize the whole body of party members to seriously study the decision. Through study, everyone should have an all-round understanding of the basic contents and spirit of the decision, enhance comprehension of the necessity and urgency of party rectification, and get a clear picture of its general aim, tasks, and demands, so as to make ideological preparations for it. The leading cadres at all levels must take the lead in study and do their study a bit better. Party and cadre schools must regard the decision as a major content of their study. It is necessary to integrate study of the decision with study of the "Selected Works of Deng Xiaoping."
2. It is necessary to closely link study with reality and engage in simultaneous study and reform. It is necessary to closely integrate study with transforming ideological style, strengthening party spirit, and enhancing spontaneity in maintaining a high degree of ideological and political unity with the Central Committee, and press forward all work. Party members and party member cadres who have made mistakes of various kinds should take the initiative to correct them. They should not wait until their unit starts party rectification before solving these problems.
3. Party committees must strengthen leadership over study. In particular, the responsible comrades of the party committees must fully realize the importance of this decision and get a thoroughly good grasp of studying it as a major affair in party building.

The party organization, propaganda, and discipline inspection departments at all levels must pay attention to monitoring the study, sum up study experiences and promptly popularize them, and continually lead forward the study in depth. At the same time, the media such as the press, publications, radio, and television must do a good job in propaganda work for the decision in view of the state of mind of the party members and party member cadres.

HUNAN SECURITY DIRECTOR URGES CRACKDOWN ON CRIME

HK170553 Changsha Hunan Provincial Service in Mandarin 2300 GMT 16 Oct 83

[Text] According to HUNAN RIBAO, on behalf of the provincial People's Government, provincial Public Security Bureau Director (Mao Zhishou) delivered a work report to the third meeting of the sixth provincial People's Congress Standing Committee. In this report he said that cracking down on crime was a long-term fighting task. Therefore, we must never think that we could relax our efforts because we had made some initial achievements. We should carry on the spirit of continuous fighting and steadfastly carry on this struggle to its bitter end so as to achieve a radical turn for the better in our public security situation.

Having made an analysis of the current public security situation in our province, he said that by resolutely cracking down on the serious criminal offenders who had threatened the safety of our people and undermined socialist construction, we had displayed the powerful nature of the people's democratic dictatorship. This had begun to promote the bringing about of a turn for the better in the general mood of our society and to promote the development of our work of various kinds. However, this is only a victory in the initial battle. We have still failed to ferret out quite a large number of criminals who have long succeeded in staying hidden. The development of the work has been uneven. Some localities and units have delayed their actions and have left some spots untouched. We have just begun our work to spread propaganda among the masses of people and to mobilize them. Though we have frightened criminals, some desperate ones among them are continuing to commit crimes. Therefore, we must always guard against any relaxation in our efforts and must make persistent efforts to carry on this struggle to its bitter end.

Next, he said that we had to deepen further our propaganda and mobilization among the masses of people and thus launch a powerful political offensive against crime. At the same time, we should carry out education in the legal system in a widespread manner in order to make the masses of people know, understand, and observe our law. By so doing we will be able to reduce crime and prevent crime once and for all. On the other hand, we should vigorously grasp the implementation of the measures for tackling crimes in an all-round manner and earnestly strengthen our work in redeeming first offenders.

HUNAN CPC ON CRACKDOWN ON ECONOMIC CRIMES

HK160702 Changsha Hunan Provincial Service in Mandarin 2310 GMT 15 Oct 83

[Excerpts] From 10 to 14 October, the Hunan Provincial CPC Committee held a conference on cracking down on serious economic crime, which was attended by secretaries of prefectural and city discipline inspection committees, and party groups and discipline inspection groups of provincial organs, totaling 200 persons. During the meeting the comrades studied the decision on party rectification adopted by the 2d Plenary Session of the 12th CPC Central Committee and conveyed the spirit of the Central Discipline Inspection Commission work conference.

Provincial CPC Committee Secretary and Governor Liu Zheng made an important speech. Provincial CPC Committee Standing Committee member Zhao Chuqi gave a summation. Vice Governor Zhou Zheng also spoke. Provincial Discipline Inspection Committee Permanent Deputy Secretary (Xu Chungao) gave a work report.

The meeting held: The province has scored very great success in the struggle against serious economic crime over the past 1 year and more. However, the development of the struggle is uneven. Some places and departments have not launched it well. There are still untouched corners and areas. Certain major and important cases have not been dealt with severely, and the problem of cracking down ineffectively exists.

In order to unswervingly wage the struggle well, the meeting demanded that all places, departments, and units that have not yet seriously launched this struggle must get a very good grasp of it. The prefectural and city CPC committees and the party groups of the provincial organs and units must put this work in an important place on their agenda and exercise collective leadership, with people specifically assigned to tackle the work.

HUNAN 'RELATIVELY BACKWARD' IN BIRTH CONTROL

HK170555 Changsha Hunan Provincial Service in Mandarin 2300 GMT 16 Oct 83

[Text] According to HUNAN RIBAO, compared with other provinces and municipalities, our province's planned parenthood work has been relatively backward and we must make up our minds to exert greater efforts resolutely and effectively to control population growth. This was an opinion given by (Wang Jing), chairman of the provincial Family Planning Committee, in the work report he delivered to the third meeting of the sixth provincial People's Congress Standing Committee.

(Wang Jing) said that we have achieved relatively great results in our planned parenthood work in the past period. During the first half of this year, the province's birth rate was 0.743 percent, 0.077 percent less than that of the same period last year. The natural rate of population increase was 0.446 percent, 0.085 percent less than that of the same period last year. However, our future task will be very arduous. The provincial CPC Committee has called on us to control the province's population at below 62 million by the year 2000. If we continue to allow our population to grow at least year's rate of natural population increase, namely, at a rate of 1.521 percent, [as heard] then by the year 2000, the province's population will rise to 71.5 million.

Judging by the results of our efforts to fulfill the major targets in the first half of this year, our province lagged behind most of the 29 provinces, municipalities, and regions in our country. The province's percentage of couples who have given birth to a single child ranked 19th in the nation, its percentage of couples who have given birth to more than two children ranked 18th, the percentage of couples of childbearing age who have been issued with single child certificates ranked 20th, and the percentage of couples who have married at a mature age ranked 22d. Our leading groups at all levels must be fully aware of the significance and urgency of the planned parenthood work and really include this work on the agenda for important work in our leading organizations at all levels. While satisfactorily grasping production, they must earnestly, vigorously, and satisfactorily grasp their planned parenthood work.

CHANGSHA CITY CONCLUDES AIR DEFENSE EXERCISE

HK150704 Changsha Hunan Provincial Service in Mandarin 2310 GMT 14 Oct 83

[Text] A Changsha City experimental air defense exercise which started on 12 October concluded victoriously on 14 October. The exercise concentrated on studying organizational command and coordinated action against air raids in modern war conditions. During the exercise the organizational work was close-knit and the drill serious and smooth. The predicted goal was reached.

XIZANG PARTY MEETING STUDIES CENTRAL DECISION

HK160243 Lhasa Xizang Regional Service in Mandarin 2340 GMT 15 Oct 83

[Text] The Xizang Regional CPC Committee held a Standing Committee meeting in the afternoon of 13 October to seriously study the communique of the 2d Plenary Session of the 12th CPC Central Committee and the Central Committee's decision on party rectification. The participating comrades enthusiastically hailed the victorious convention of this plenary session and the decision on party rectification. They resolved, under the correct leadership of the Central Committee, to lead the party members, party member cadres, and party organizations throughout the region to seriously implement this decision and victoriously fulfill the great task of party rectification.

The comrades said: There has been enthusiastic response inside and outside the party to the 12th party congress proposal for party rectification. This party rectification is a major step that must be taken by the party for winning new and great victories in the new situation. It is the fundamental guarantee for accomplishing the vast goal put forward by the 12th party congress of striving to quadruple total annual industrial and agricultural output value, under the premise of continually improving economic results. It is the fundamental guarantee for building China into a modern socialist state with a high degree of civilization and democracy. It is also the fundamental guarantee for accomplishing the region's targets of achieving a medium change in 5 years and a major change in 10 and building a united, rich, and civilized new socialist Xizang.

They said: This decision has embodied the spirit of the 12th party congress and explicitly laid down the basic principles, tasks, policies, and methods for this party rectification. The implementation of this decision is bound to guarantee the correct and smooth progress of party rectification work.

The comrades said: The decision makes a correct and profound analysis of the current state of the party and the phenomena of defects in party work style. This analysis is also in full accord with the state and problems of the party in Xizang. As a result we have gained further understanding of the necessity and urgency of rectifying the party. We cannot achieve a fundamental turn for the better in party work style without this concentrated rectification.

The meeting called on the party members in the region to seriously study the Central Committee decision on party rectification and actively take part in the rectification. The meeting demanded that from now on, all party organizations in the region seriously organize the party members to study the documents on party rectification prescribed by the Central Committee, enhance their ideological awareness, and put organizational life on a sound basis. Party members and party member cadres who have made mistakes of various kinds should take the initiative to correct them. They should not wait until their unit launches party rectification before solving these problems.

The meeting held: The regional CPC Committee must first do a good job of rectifying itself. The meeting expressed the belief that, under the correct leadership of the Central Committee and with the common efforts of the party organizations and members throughout the region, it will certainly be possible to victoriously complete this great task of party rectification, accomplish a fundamental turn for the better in party work style, and promote the building of socialist material and spiritual civilization in Xizang.

XIZANG MEETING ON CRACKING DOWN ON ECONOMIC CRIME

HK160255 Lhasa Xizhang Regional Service in Mandarin 2340 GMT 15 Oct 83

[Summary] A regional conference on cracking down on economic crime concluded in Lhasa on the morning of 15 October. The meeting laid stress on continuing to grasp the struggle against economic crime.

Regional CPC Committee Secretary Song Ziyuan made a speech. He demanded: "We must enhance ideological understanding and carry out in depth the struggle against economic crime. We must severely and swiftly punish a number of economic criminals, especially those who have newly emerged. We must eliminate the soft approach, and investigate and deal severely with certain cadres who cover up for and connive with criminals. We must strengthen leadership, and readjust and augment the case-handling force. Party committees and groups at prefectural level must put cracking down on serious economic crime on their daily agenda."

KUNMING PLA CONGRESS HAILS CENTRAL DECISION

HK170215 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 16 Oct 83

[Text] On 13 and 14 October, the party congress of the Logistics Department of the Kunming PLA units organized the 140 delegates to study and discuss the Central Committee decision on party rectification in connection with reality. Many of the delegates are old comrades who joined the party in the 1930's and 1940's. During study and discussion, recalling how the Yanan rectification movement of 1942 strengthened party building and ensured the victory of the Chinese revolution, they gained further understanding of the major importance of the current party rectification and boosted their faith in communism.

In connection with the reality of the building of the party committees and branches and the state of the party member force in their own units, delegates from grassroots units studied and discussed the central decision on party rectification and gained a clearer idea on the necessity and urgency of this party rectification, and strengthened their confidence in implementing the decision. They resolved to rectify the party organizations of their own units. They said: We must actively organize the party members to seriously study the decision, the "Selected Works of Deng Xiaoping," and other documents on party rectification, and make full preparations to greet the party rectification.

NEI MONGGOL CPC HAILS RECTIFICATION DECISION

SK150334 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 14 Oct 83

[Text] The regional party committee on 13 October held a Standing Committee study meeting to conscientiously study and discuss the communique of the 2d Plenary Session of the 12th CPC Central Committee and the party Central Committee's decision on party consolidation adopted at the session. The participants unanimously expressed their wholehearted support for the communique and the party Central Committee's decision on party consolidation.

Qian Fenyong, deputy secretary of the regional party committee, presided over the study meeting. Comrades attending the meeting said: The party Central Committee's decision adopted at the 2d Plenary Session of the 12th CPC Central Committee is a very good and very important document. It fully embodies the guidelines of the 12th party congress, points out the necessity for party consolidation, and stipulates, in explicit and specific terms, the basic principles, tasks, and methods for the forthcoming party consolidation. It is a powerful ideological weapon to ensure the smooth progress of party consolidation.

The participants held: What is written in the decision is precisely what is in our minds. It fully conforms to the actual conditions of the region. As long as we earnestly study and resolutely implement this decision, we will certainly be able to successfully fulfill the great task of the forthcoming party consolidation, bring about a fundamental turn for the better in the party style as required by the 12th party congress, and push forward the building of the socialist material and spiritual civilizations.

The participants pointed out: In spite of the serious damage sustained by our party in the 10-year domestic turmoil, the ranks of our party remain, on the whole, politically pure and highly militant, as has repeatedly been proven by history and practice. Most of our party organizations and party members are good or fairly good. The healthy force occupies the dominant position in the party. We should note, however, that many problems still exist in the party at present. These problems pose a great danger to the party. It will not do to be without resolute consolidation. Our party, by relying on its own strength, is fully capable of successfully consolidating itself and of forging ahead with greater vigor on the new road. We are full of confidence in this.

The participants stressed: The decision explicitly stipulates that the tasks of the forthcoming party consolidation are to unify ideology, rectify work style, strengthen discipline, and purify organizations. The four tasks are an interrelated integrated entity, a very high criterion and requirement.

The participating comrades said: In order to fulfill the tasks for party consolidation, it is very important to study documents well and enhance understanding. They are the necessary conditions and prerequisites for solving the contradictions within the party. We should strengthen leadership from beginning to end over the study of the three documents on party consolidation as provided by the party Central Committee, strengthen ideological education, and increasingly enhance the understanding and political consciousness of the masses of party members. We should strictly follow the principles the party and Comrade Mao Zedong always stressed; correctly conduct criticism and self-criticism in an earnest, penetrating, and scientific manner; and see to it that the purpose of clarifying thinking, correcting mistakes, and uniting comrades and making progress is achieved.

The Standing Committee members pointed out: The forthcoming party consolidation has a very important significance. The more deeply leading cadres of the party understand the significance of the party consolidation, the more willingly they will be to take action.

Therefore, we should conscientiously study the decision, thoroughly understand its guidelines, unify our thinking in line with the decision, and truly be examples in vigorously participating in party consolidation in a capacity of ordinary party members.

The participating comrades also pointed out: In order to make the party consolidation a success, we will persistently implement the party Central Committee's decision in a creative manner; connect the principles, policies, and methods stipulated in the decision with the actual conditions of the region; formulate specific plans for implementation and successfully carry out party consolidation from higher levels down to lower levels, group after group at different times. In the meantime, we will lead the enthusiasm of party members, aroused during party consolidation, to production and work in a timely manner.

The study meeting decided to issue a circular to organize party organizations at all levels and all party members to conscientiously study the party Central Committee's decision on party consolidation and to participate vigorously in party consolidation.

NEI MONGGOL ISSUES CIRCULAR ON RECTIFICATION

SKI60400 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 15 Oct 83

[Text] On 14 October the Nei Honggol Regional CPC Committee issued a circular urging all party organizations throughout the region to conscientiously organize party members in vast numbers to study the Central Committee's decision on party consolidation.

The circular states: The Central Committee's decision adopted at the 2d Plenary Session of the 12th CPC Central Committee is a programmatic document guiding the present party consolidation. It sums up our party's positive and negative experiences, fully embodies the guidelines of the 12th party congress, and sets forth a series of principles, policies and methods for party consolidation. The conscientious study, deep understanding of this decision, and unity of the thinking of the whole party in line with its guidelines are of great strategic significance in successfully fulfilling the task of the present party consolidation, bringing about a fundamental turn for the better in the party style, and promoting the smooth progress of the four modernizations. The circular urges:

1. In studying the decision it is necessary to particularly study and understand the necessity and urgency of party consolidation, its basic principles, tasks, policies and methods, and its general purpose and requirements. Through study, it is necessary to enable the masses of party members to understand the great importance of party consolidation and thus to vigorously and willingly participate in party consolidation in line with the requirements as stated in the decision.

2. Party committees at all levels should regard the study of the decision as an important task for the present, take the lead in study, and earnestly formulate plans and specific measures for study for their own units. Study methods may be varied to suit local conditions. Leading comrades of party committees should take the lead and be examples in study and give some guidance lectures to party members in line with the specific conditions of their own localities and units.

3. The study of the decision should be combined with that of the "Selected Works of Deng Xiaoping." In the "Selected Works of Deng Xiaoping," there are many important theses on the ideological and organizational building of the party, which are an important ideological and theoretical foundation for comprehensive party consolidation. Therefore, the study of the "Selected Works of Deng Xiaoping" has great immediate significance in enhancing our understanding of the essence of the decision. All localities should choose, according to their actual situation, some of the important theses and organize people to study them in a planned manner. The party Central Committee has decided to edit and publish a must book for party members, a concise edition of important documents since the 3d Plenary Session of the 11th CPC Central Committee and Comrade Mao Zedong on the party's style of work and party organization.

These three books are also important documents for this party consolidation. All localities should organize party members to study them well.

4. It is necessary to uphold the principle of combining theory with practice in the study of the decision. It is necessary to conscientiously solve the problems in understanding and ideology among party members in line with both the positive and negative experiences in party building and with the actual situation in the party organizations and in the ideology of party members of their respective units. As for party members who have erred, we should help them know and correct their mistakes as soon as possible. Problems that can be solved before party consolidation should not be delayed until party consolidation begins.

In conclusion, the circular urges all newspaper, periodical, and broadcast and television units to attend to the propaganda on the study of the decision, formulate plans for the propaganda and reports, organize people to write special articles to expound on the major content and basic viewpoints of the decision and report, in a timely manner with good experiences and methods in the study, so as to promote study in the entire region and make good ideological preparation for comprehensive party consolidation.

NEI MONGGOL MILITARY DISTRICT STUDIES DECISION

SK160423 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 15 Oct 83

[Text] On 13 October the party committee of the Nei Monggol Regional Military District organized its Standing Committee members and members of the leading party groups of organs of the Headquarters, the Political Department, and the Logistic Department to study and discuss the party Central Committee's decision on party consolidation adopted at the 2d Plenary Session of the 12th CPC Central Committee, in an effort to raise their awareness in implementing the decision on party consolidation. During the study and discussions, the participants unanimously held that the wise decision of the Central Committee, which expresses the common desire of the whole party, the whole army and the people throughout the country, is an important step our party should take to win a great new victory in the new historical period, a fundamental guarantee for fulfilling the grand objective defined at the 12th party congress, and for building our country into a modern, culturally advanced, and highly democratic socialist state.

The participating comrades pointed out that only when we correctly use the sharp weapon of criticism and self-criticism under the guidance of Marxism-Leninism-Mao Zedong Thought and by relying on the strength of the whole party, strictly enforce party discipline and penetratingly expose and thoroughly solve the problems in the serious impurities in ideology, work style, and organization in the party, can we bring about a fundamental turn for the better in the party style, raise the ideological level and the level of the work of the party, maintain closer ties between the party and the people, and build the party into a powerful core which leads the socialist modernization drive.

Cai Ying, Standing Committee member of the regional CPC Committee and secretary of the party committee of the regional Military District, spoke to sum up the study and discussions. He said: Party consolidation is a new test for leading cadres at all levels. We should take part in this party consolidation of profound significance with correct ideology and a correct attitude. We should make the most of the driving force of party consolidation to promote the smooth progress of military training, war preparedness, frontier defense patrol, militia building, and other work, and accelerate the revolutionization and modernization of the army in our region.

GANSU ISSUES CIRCULAR ON STUDYING CENTRAL DECISION

HK150329 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 14 Oct 83

[Text] The Gansu Provincial CPC Committee held a Standing Committee yesterday afternoon to study and discuss the communique of the 2d Plenary Session of the 12th CPC Central Committee and the Central Committee decision on party rectification. The provincial CPC Committee issued a circular on studying the communique of the second plenary session and its decision on party rectification.

The circular pointed out: The communique of the 2d Plenary Session of the 12th CPC Central Committee and the Central Committee decision on party rectification have now been published. The party organizations and members throughout the province must seriously study these two important documents and profoundly appreciate their spiritual essence. On this basis, they should guide work in connection with reality. The circular demanded that the party committees at all levels and all grassroots party organizations immediately organize the whole body of party members to repeatedly and seriously study and discuss the communique and the decision. Party schools and cadre training and book-reading classes must regard the communique and the decision as major contents of study.

The circular stressed: Leading party member cadres at all levels must take the lead in studying the communique and the decision. The leadership groups at all levels must apply the spirit of the second plenary session to guide their work and action and promote all work. Party committees must attach great importance to strengthening leadership over the ideological front, resolutely eliminate and change the situation of weakness and laxness in ideological and political work, and further strengthen this work. Leading groups of the provincial departments must, in the course of studying the communique and the decision, seriously consider how to further strengthen education in party spirit, style, and discipline for party members, in preparation for party rectification work this winter and next spring.

LANZHOU PLA COMMITTEE STUDIES CENTRAL DECISION

HK150621 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 14 Oct 83

[Text] The Lanzhou PLA units CPC Committee has seriously listened to the broadcast of the communique of the 2d Plenary Session of the 12th CPC Central Committee and the Central Committee's decision on party rectification, and studied these two documents. The CPC committee has expressed resolute support for the spirit of the documents and is determined to act as leader in promoting party rectification and bringing about a fundamental turn for the better in party work style.

In connection with studying the communique and decision, the members of the CPC Committee recalled the Yanan rectification and the party's fine traditions, and discussed the necessity and urgency of party rectification in light of reality in the units.

Deputy Political Commissar Wei Youzhu said: It has been very stimulating to listen to the communique and decision. To carry out party rectification in a planned and organized way under leadership is something that the party members have long been awaiting; it is also the fervent hope of the masses. The Central Committee's decision on party rectification reflects the experiences of the Yanan rectification and also sums up the lessons of the 10 years of turmoil. It has scientifically analyzed the current state of the party and explicitly laid down the principles, tasks, policies, and methods for party rectification. In resolving to get a good grasp of party rectification, the Central Committee has brought new hope and motive force for the party's development. We old comrades must resolutely follow the Central Committee's decision, spontaneously advance in the front rank, and set a good example for the younger generation in party rectification.

Comrades taking part in the study and discussion particularly agreed with the Central Committee's decision on carrying out rectification from top to bottom. They pledged to concentrate on themselves and play a model and leading role in party rectification, first rectifying the CPC Committee of the Lanzhou PLA units.

Deputy Commander Liu Guangfu said: The party's leading cadres at all levels shoulder a heavy responsibility in the political life of the party and state and in implementing the party's line, principles, and policies. Hence the leading members of the party committee must act according to the Central Committee's decision, be bold in conducting criticism and self-criticism, humbly listen to the masses' views, and resolutely avoid doing things in a superficial way. With our party committee rectified well, we will be able to lead the grassroots and the party members as a whole to do a good job in party rectification.

QINGHAI LAUNCHES STUDY OF RECTIFICATION DECISION

HK150755 Xining Qinghai Provincial Service in Mandarin 1100 GMT 14 Oct 83

[Text] According to QINGHAI RIBAO, yesterday afternoon some members of the Standing Committee of the provincial CPC Committee, the chairman and deputy chairmen of the provincial Advisory Committee, and principal responsible comrades of the organs under the provincial CPC Committee gathered to study the decision on party rectification passed by the 2d Plenary Session of the 12th CPC Central Committee. In their speeches, they said: The decision reflects the common desire of the whole party, the whole army, and the people of the whole country. The decision embodies the spirit of the 12th party congress, inherits and carries forward the fine traditions of the Yanan rectification, absorbs the negative lessons of the 10 years of internal disorder, sums up the experiences since the 3d Plenary Session of the 11th CPC Central Committee, and especially since launching pilot projects in party rectification, and has extensively solicited people's views. Hence this decision on party rectification has made relatively all-round consideration of the guiding ideology, methods, and steps, and the issues that merit attention. The decision is fully in accord with reality. This shows that our party is wise and mature and holds aloft the banner of Marxism-Leninism. Everyone expressed full support for the decision. They resolved to seriously study and resolutely implement the decision and actively take part in party rectification.

Everyone stressed: Stepping up study is the key to doing a good job in party rectification. The comrades declared: We will seriously study "Essential Reading for Party Members," the "Collection of Important Documents Since the 3d Plenary Session of the 11th CPC Central Committee," and "Comrade Mao Zedong on party work style and organization," published by the Central Committee, and the "Selected Works of Deng Xiaoping," to enhance understanding of the party's nature, program, and tasks and of the importance of party rectification, and make full ideological preparations for party rectification.

During their study and discussion, everyone also hoped that party committees at all levels, grassroots party branches, and the whole body of party members would not wait for arrangements to be made by the upper levels, but would immediately take action to study the Central Committee decision on party rectification, so as to profoundly appreciate the basic principles, tasks, policies, and methods of this party rectification. In their speeches, the comrades said, filled with confidence: We have the correct leadership of the Central Committee and a set of correct principles and policies for party rectification. So long as the party organizations at all levels strengthen leadership and fully rely on the party members and masses, we will certainly be able to victoriously complete this task of party rectification and ensure that our party can better shoulder the great task of leading the people of the whole country to build socialist modernization.

JI PENGFEI COMMENTS ON HONG KONG'S FUTURE SELF-RULE

HK150154 Hong Kong SOUTH CHINA MORNING POST in English 15 Oct 83 pp 1, 8

[Article by staff reporters: "Self-Rule 'To Be Assured'"]

[Text] A senior Chinese official has reportedly agreed to take prompt steps to secure Hong Kong's constitutional status as a special administrative zone. This aimed at legally assuring the future "self-rule" administrative model for the territory.

According to an elected urban councillor, Dr Denny Huang, the head of the Hong Kong and Macao Affairs Office, Mr Ji Pengfei, has also agreed that Hong Kong people will be consulted and allowed to take part in the drafting exercise. Once drafted, the so-called "Hong Kong special administrative zone constitution" will be submitted to the Chinese National People's Congress for approval. Dr Huang said Mr Ji Pengfei agreed to ensure that Hong Kong residents of different political persuasions will enjoy the rights to stay in, work in and jointly administer Hong Kong.

Dr Huang said yesterday that he made the above recommendations to Mr Ji in a meeting with him and other senior officials of his office in Peking on September 27, during a recent trip to China at the invitation of the Chinese Medical Association.

For his part, Mr Ji made a number of points about China's idea of self-rule for Hong Kong. However political analysts in Hong Kong yesterday said these were neither new nor reassuring, and had previously been made in other forms by other Chinese leaders.

Dr Huang said Mr Ji, a former foreign minister who took over the Hong Kong and Macao Affairs Office in May, repeated that the Chinese Government would definitely not allow Hong Kong to become independent and that it would take back the territory in July 1997 when the current lease on the New Territories expires.

Mr Ji reportedly told Dr Huang that after China regained sovereignty and administrative jurisdiction over Hong Kong, it would implement the so-called "Hong Kong people ruling Hong Kong" administrative model.

Dr Huang quoted Mr Ji as saying that Hong Kong would enjoy a "high degree" of self-rule, which would include the following features:

-- The maintenance of Hong Kong laws and the spirit of the rule of law -- "with exceptions of those laws connected with the colonial rule."

-- The judgement of the highest courts in Hong Kong will be final and Hong Kong will have the final court of appeal.

-- China will be responsible for Hong Kong's defence but will not station troops in Hong Kong.

-- China will be responsible for Hong Kong's external affairs but Hong Kong will have the full right to manage them.

In immigration matters, over which Hong Kong will have full control, Hong Kong will be allowed to issue its own identity cards and passports to enable its residents to continue to travel freely.

Hong Kong will be able to manage its trading relations with other countries, including the management of trade quotas it has negotiated with them.

-- There will be no change in Hong Kong's free enterprise policy and residents will continue to enjoy property rights. Capital will be allowed to flow freely in and out of Hong Kong and foreign and Chinese capital will receive identical protection.

-- Except for the highest posts, expatriates will be allowed to continue to work in public and private establishments and enjoy various civic rights.

-- In the initial stages of self-rule, local representative organisations will be asked to nominate, after consultations among themselves, Hong Kong's governor, who will then be appointed by China.

-- The Chinese Government will not impose taxes in Hong Kong.

Dr Huang saw Mr Ji's predecessor, the late Mr Liao Chengzhi, in October last year. They had a session which covered many of the above points. Yesterday, Dr Huang said Mr Ji had agreed to the release of the points listed above at the end of his visit to China, which started on September 23 and ended on Wednesday. He said: "On the eve of the next round of talks between China and Britain next week, I think only if and when the British delegates sincerely co-operate can the talks conclude satisfactorily and soon."

Dr Huang said Chinese leaders had many times indicated that the results of the talks should also satisfy the British side from the point of view of economic benefits to Britain. He said Britain should from now on refrain from seeking to continue its rule over Hong Kong and should instead find ways through which the parties concerned can mutually benefit and work hard on self-rule for Hong Kong.

He said China's recovery of Hong Kong in 1997 would be an "unchangeable fact" and any attempt to lengthen British rule in the territory would be an act of fancy.

Dr Huang said certain people insisted that Hong Kong people could not govern Hong Kong because there was no precedent where a socialist country had accommodated a capitalist society. But he said the absence of any precedent did not mean that it was impossible. "Just look at Britain: its democratically elected parliament exists alongside the British monarchy. Aren't monarchy and democracy coexisting very well?" he said.

He said most of the government officers actually running Hong Kong were local people and in terms of knowledge, experience and ability, some expatriate heads of departments did not even match their local junior officers.

Commenting on Mr Ji's statement, the vice-chairman of the Hong Kong Belongers Association, Mr Sze Chuslan, said: "Mr Ji was just repeating the words made earlier by other Chinese officials. I don't see any new point in it at all."

Mr Sze said such a repetition of China's well-known intentions could hardly serve the purpose of instilling more confidence among the people of Hong Kong. "What we need is something more concrete," he added.

He said the proposals would carry much more weight if they were actually listed in the Constitution. But he noted that this could not be done at present at the Sino-British talks on Hong Kong's future are still continuing.

Commenting on the details of China's proposed "Hong Kong people administering Hong Kong" model, he said the fact that the choosing of the head of the Hong Kong Government needed China's approval was not particularly reassuring. "If China's approval has to be sought before someone can become the chief of the Hong Kong Government, I think it simply is better for China to appoint one itself."

Mr Sze said China's promise not to collect taxes from Hong Kong was also not encouraging news. "If China really means to preserve the present system in Hong Kong, naturally it should not collect taxes from it."

Dr Lao Sze-kuang, chairman of the Hong Kong Prospect Institute set up recently to help explore ways to secure Hong Kong's future, said Mr Ji's statement was over-simplistic although it showed some signs of development. Dr Lao said it meant little if China had veto power over the selection of the chief administrator of Hong Kong.

On the so-called "Hong Kong special administrative zone constitution," Dr Lao said such a constitution was essential to safeguard the continuation of the present system, but he doubted whether China would actually pass such a constitution for Hong Kong.

He said China had a different concept of a constitution. "Ours is that a constitution cannot be changed easily. But what China has conceived is that it can be changed according to political needs," he said. And he added he was not optimistic that different political beliefs would be allowed. "We need more assurances," he said.

Mr Lee Yee, the chief editor of SEVENTIES, a China-watching magazine, said it was time for China to try to solve the technical problems of the 1997 issue instead of repeating its promises.

HSIN WAN PAO ON AIMS OF CPC RECTIFICATION DRIVE

HK141046 Hong Kong HSIN WAN PAO in Chinese 14 Oct 83 p 2

["New Talks" column: "'Three Kinds of People' and 'Three Categories of People'"]

[Text] The CPC is rectifying the party with clear and definite aims. "Purification of organization," one of the four major tasks, is also an important aim. Of course, to purify an organization means to purify the CPC. However, in the course of "purification," some people will be expelled from the party according to regulations. Thus, the administrative organs, factories, mines, and enterprises will be involved. From this point of view, after purifying its own organization, the CPC will be able to strengthen the leadership and work discipline of the departments and units of the party, the government, and the army. This is favorable for improving administrative efficiency and economic results.

According to the arrangements made by the CPC, the people expelled from the party on the basis of the principle of cautiousness and strictness will be, first, the "three kinds of people" and, second, the "three categories of people."

The "three kinds of people" are those who rose to prominence by following the counterrevolutionary clique of Lin Biao and Jiang Qing to rebel, who are seriously factionalist in their ideas, and who have indulged in beating, smashing, and looting.

Who are the "three categories of people"? First, those who oppose the line followed by the CPC Central Committee since its 3d plenary session; second, those who have committed serious economic crimes or other serious criminal offenses; third, those who have seriously violated law and discipline. (The general term "three categories of people" does not come from the CPC's decision to rectify the party but is our own wording.)

It is hard to estimate the exact number of these two kinds of Communist Party members. However, even if the number is very small, it is certain that they are extremely powerful. We have seen too many examples of their destructiveness in recent years. Thus, in its decision to rectify the party, the CPC pointed out: "If they are not thoroughly and completely removed, they will become the party's serious secret worry." Naturally, this is also the state's secret worry. It constitutes a serious obstacle to the country's stable political situation and economic development.

The historical background differs for the emergence of the "three kinds of people" and the "three categories of people." However, they are equally complex. Their behavior has something in common. Some people "merge two into one." Those who have indulged in beating, smashing, and looting are precisely those who have violated the law and discipline. The 10 years of internal disorder left behind repercussions and the dregs of society. With the implementation of the open-door policy, "there has been a growth in the influence and corrosion of capitalist corrosive ideas and surviving feudal ideas" and the handful of people who try to infringe on the interests of the state and the people by all means have emerged. We should combat the leftists and rightists whenever they emerge. The "leftists" are often identical to the rightists and they act in collusion with each other. Of course, the gravest danger at present principally lies in the extreme "leftists." We can say that the refusal of some institutes of higher education to implement the policy toward intellectuals constitutes a typical example.

The "three kinds of people" and the "three categories of people" are extremely dangerous people. Some of them are leaders of localities or organs. Their perverse words and deeds are like cancerous cells inside the body of a patient, which are capable of spreading to other parts of the body at any time.

The CPC has decided to liquidate [qing li 3237 3810] seriously and cautiously these two kinds of people. The people of the whole country are overjoyed.

FINANCIAL SECRETARY ANNOUNCES EXCHANGE RATE MEASURES

HK150512 Hong Kong Domestic Service in English 0400 GMT 15 Oct 83

[News conference given by Hong Kong Financial Secretary John Bremridge in the Government Information Services Theater -- live]

[Excerpts] [Bremridge] I want to tell you about two steps which the government is taking now to stabilize the exchange rate of the Hong Kong dollar. First, let me give you some background.

For 37 years, from 1935 to July 1972, the Hong Kong dollar was pegged to sterling. From 1972 to November 1974, the Hong Kong dollar was pegged to the U.S. dollar. Since 1974, Hong Kong, in common with other major market economies, has had a freely floating exchange rate. This floating system has served us well. It has given us a measure of insulation from the ups and downs of other economies, and under it Hong Kong has recorded very high rates of economic growth. Living standards have risen accordingly.

Towards the end of last year, the exchange rate started markedly to weaken, reflecting amongst other factors uncertainties about Hong Kong's future. Before the government announced 3 weeks ago that it was considering proposals to stabilize the exchange rate, currency depreciation was tending increasingly to feed on itself in an unstable and irrational manner. This depreciation was not justified by either current economic developments or future prospects. The economy has rebounded and is doing very well.

The government has been concerned by the falling exchange rate and has done everything in reason within the established framework to attempt to stabilize it. These efforts have achieved only limited success. The circumstances of Hong Kong preclude exchange control.

After a thorough examination of realistic options, we have now decided to alter the framework within which the exchange rate is determined. With effect from Monday, 17 October, the two note-issuing banks [the Hong Kong and Shanghai Bank and The Chartered Bank] will pay the government exchange fund for additional certificates of indebtedness, which they are required to hold as backing for any increase in their note issues, in foreign exchange at a fixed rate of HK\$7.80 equals U.S.\$1. From the same date, when notes are withdrawn from circulation and the note-issuing banks surrender certificates of indebtedness, the exchange fund will pay them the equivalent foreign exchange at the same fixed rate. It is our intention to hold this rate unchanged.

The rates of exchange which a bank customer will obtain, whether exchanging banknotes or making any other foreign currency transactions, will continue to be determined by market forces, but will in practice be close to the fixed rate of HK\$7.80 equals U.S. \$1. This will be the case because, from next Monday, market forces will operate against the background of the fixed rate for certificates of indebtedness.

I must emphasize that these new arrangements will mean business as usual between banks and their customers at stabilized rate.

You will ask about the implications for the economy of stabilizing the exchange rate in this way. In the short term there may be some upward pressures on Hong Kong dollar interest rates. Once the stability of the exchange rate become evident and accepted, interest rates should fall below the present levels. Looking further ahead, changes in the exchange rate will no longer be an element in our economy's adjustment process. Factors such as interest rates and money supply will adjust to balance of payments pressures automatically, without government intervention.

The government believes that this new arrangement must now be preferred to the freely floating exchange rate system. We cannot run the risk of further spiralling depreciation, with the rampant inflation and distress which that would bring to all our community. A return of confidence in our currency is essential.

I said that I had two measures to announce. The second is this: As from Monday, 17 October, interest on Hong Kong dollar deposits with financial institutions will no longer be taxed. This means that there will no longer be a tax advantage in holding foreign currency deposits or in holding Hong Kong dollar deposits offshore.

These measures are designed to stabilize the exchange rate of the Hong Kong dollar and, thus, to provide a climate for growing prosperity with restrained inflation. The government has confidence in the stabilized exchange rate; so can the people of Hong Kong. Let us now get on with our business.

[Question by unidentified person] Can you tell us why you fixed the rate at 7.80?

[Bremridge] This is a matter of judgment which takes account of the current circumstances of Hong Kong and the need to be realistic. I would add that it was not finally fixed until we saw the latest exchange rates this morning. There is no justification for setting the rate at or near the low point reached in recent weeks.

If at some stage in the future the Hong Kong dollar was thought by the market and by the community to be undervalued, so that a persistent capital inflow threatened to produce unduly rapid monetary expansion, the government might consider revaluing the Hong Kong dollar so that HK\$1 would buy more foreign currency. But the government does not intend to change the rate the other way, so that HK\$1 would buy less foreign currency. It would be wrong to attempt to counter any monetary contraction caused by persistent capital outflow by altering the exchange rate. That will be the role of interest rates.

The Hong Kong Government does not disclose the size of the exchange fund foreign currency reserves. They are however very substantially more than the whole of the note issue of HK\$14.5 billion, which is the lever in the new scheme. I do not think there will be any necessity for the government to intervene from now on.

[Question from unidentified person] What effect will this have now on Hong Kong's rate with the renminbi? Will China's reaction be that they will recognize the Hong Kong dollar as now attached to the U.S. dollar? There is some recent information that China wants to cancel all contracts in Hong Kong dollars and fix new contracts in U.S. dollars.

[Douglas Blye, deputy financial secretary] I don't know anything about this latter statement of yours, but the effect should be that on Monday I would expect to see the renminbi devalued against the Hong Kong dollar. The Bank of China tends to move the value of the renminbi very quickly, and they have, as the Hong Kong dollar has been strengthening over the past week for example, devalued the renminbi against the Hong Kong dollar a number of times, and I am quite sure that they would do so again. I can't be sure, but one would expect from past practice that it will be devalued again early next week.

[Question from unidentified person] Presumably you will inform the Bank of China on the new measures.

[Bremridge] At this junction, there is a meeting of the Commission of the Hong Kong Association of Banks.

END OF

FICHE

DATE FILMED

18 OCT. 1983

